MAY 16 1932

DUN'S REVIEW

COMMERCIAL AND BANKING FAILURES FROM OFFICIAL RECORDS
COMMODITY PRICE INDEX ~ BANK CLEARINGS REPORTS

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VOL. 40, NO. 2016

SPECIAL FEATURES

Published by

R.G. DUN & CO.

The oldest and largest Mercantile Agency in the World
Established 1841

Broadway and 42nd Street, about 1876

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This view of one of the most famous corners in the world, shows Broadway and 42nd Street before it had become the center of the "theatrical district."

The five-story structure in the left foreground with its striped awnings and over-decorated window casements was, in 1876, the Rossmore Hotel, while the building a little further down the street, and on the other side, was the St. Cloud.

They have long since fallen before the onslaught of the wreckers' crowbar and sledge, and modern buildings now stand upon their important sites.

To millions "Broadway and 42nd" typifies New York City. At Times Square, as one looks north upon a scene of blinking electric signs and theatres, an ineradicable picture is impressed upon the mind of native and visitor alike.

In 1876 when this corner was comparatively obscure, the Mercantile Agency had been established 35 years. The years immediately preceding 1876 was a period of extensive expansion for the Mercantile Agency.

Some idea of this broadening influence may be gleaned from the following list of branch offices opened during a five-year period up to 1876.

1872—Columbus, Ohio; Davenport, Iowa; Dayton, Ohio; Dubuque, Iowa; Erie, Pa.; Evansville, Ind.; Galveston, Tex.; Grand Rapids, Mich.; Kansas City, Mo.; Mobile, Ala.; Quincy, Ill.; St. Joseph, Mo.; Scranton, Pa.; Syracuse, N. Y.; Troy, N. Y.; Utica, N. Y.; Worcester, Mass.; Glasgow, Scotland; Paris, France; Hamilton, Ont.

1873—New Haven, Conn. (the year of the great panic).

1874—Atlanta, Ga.; Denver, Col.; Savannah, Ga.; Williamsport, Pa.

1875—Gloversville, N. Y.; Dallas, Tex.; St. Paul, Minn.; Houston, Tex.; Keokuk, Iowa; Binghamton, N. Y.

1876—LaCrosse, Wis.; Berlin, Germany; London, Ont.

DUN'S REVIEW

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ESTABLISHED 1841

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TRADE REVIEW OF WEEK

While trade continues irregular in many directions, evidence of improvement in major branches are more numerously apparent. A better tone pervades the entire list of reports from widely-scattered districts, and the general adoption of rigid economy in management at the low price structure prevailing is aiding the progress of commercial activity and at the same time strengthening the general financial foundation. Some retardation of advancement has been the result of impending governmental action relative to taxation, and in industrial planning unsettled commodity prices continue to exert a restraining influence.

DUN'S INDUSTRIAL INDICES

FACTORS REPORTED WEEKLY:

DUN REPORTS	1932	1931	P.C.
Bank Clearings..............	$4,582,857,000	$7,968,187,000	—42.5
Commodity Price Advances..	23	28	....
Commodity Price Declines...	34	28	....
Insolvencies (number).......	662	516	+28.3
INDUSTRIAL ACTIVITY			
†Crude Oil Output (barrels)..	2,251,900	2,468,700	— 8.8
Electric Power Output (kwh)	*1,429,032	*1,637,296	—12.7
Freight Car Loadings........	554,012	774,742	—28.5

FACTORS REPORTED MONTHLY:

AGRICULTURE			
‡Cotton Consumption (bales).	488,655	490,509	— 0.4
Cotton Exports (bales)......	927,127	605,461	+53.1
DUN REPORTS			
Price Index Number.........	$135.129	$149.419	— 9.6
Insolvencies (number).......	2,816	2,383	+18.2
Insolvencies (liabilities).....	$101,068,693	$50,868,135	+98.7
FOREIGN TRADE			
Merchandise Exports........	156,000,000	235,899,000	—33.9
Merchandise Imports........	131,000,000	210,202,000	—37.7
INDUSTRIAL ACTIVITY			
Pig Iron Output (tons)......	852,897	2,019,529	—57.2
Steel Output (tons)..........	1,239,811	2,722,479	—54.5
Unfilled Steel Tonnage......	2,326,926	3,897,729	—40.3
Building Permits............	$20,448,511	$82,010,129	—75.1

†Daily average production. ‡Domestic consumption. *(000) omitted.

Retail trade reveals a slight improvement over the showing of last month, and internal adjustments are in process which are calculated to stimulate the seasonal gains anticipated in the second quarter. While the movement continues at low levels, the general feeling of discouragement has given way to a more constructive attitude. Most retailers are becoming reconciled to smaller profits, and evince a healthier acceptance of more stabilized altered conditions. The arrival of warmer temperatures in most sections during the week resulted in an upswing in retail and wholesale distribution of Spring merchandise, with the best reports emanating from the Southwest, where volume was the heaviest for any week this year. Demand has consisted principally of seasonal items, such as hosiery, wash goods, home-dressmaking materials, and women's and children's wearing apparel. Movement of men's clothing was at a better rate.

Activity in the steel trade expanded slightly, and automobile production by the larger manufacturers is assuming a wider stride. Building activity, in the main, continues to lag. Encouraging reports are being received from agricultural regions, the result of the more favorable outlook for crops.

WHAT TRENDS IN SECURITY OWNERSHIP?

by the

Research Department of R. G. Dun & Co.

This article is a comparative analysis of common and preferred stockholders' lists and registered bond holdings of over 400 corporations, the securities of which are listed on the New York Stock Exchange, as of their most recent record dates and as of the corresponding dates two years ago.

Many of us can remember the period when a common stock was never regarded as anything but a speculation. Widows, orphans and trust funds were advised to avoid them. In those days only bonds, mortgages, and a few select preferred stocks were in good repute. A very definite change occurred in our psychology in that respect after the war. We became convinced of indefinite prosperity for American corporations. We felt that these abnormal profits would go to common stock so we bought them.

In this way the common stock psychology was born. The common stock era began. We sold our income to buy possibilities.

We had tasted moderate profits by buying Liberty Bonds. We have educated thousands of security salesmen in the Liberty Bond drives.

The transition from common stock investing to common stock speculation was inevitable and quick. In this new age the conservative investors bought common stocks for the long pull, the speculators bought common stocks for the short swing.

Few were aware that the Golden Age had actually ended in the Fall of 1929. The general attitude was that the lower prices were bargains which should be snapped up quickly.

Although a period of widespread inflation ended in 1929, the psychology of the period did not change. The common stock was as much the king of securities after the break as before.

There seemed to be only this difference in the general attitude toward the common stock: that it came to be regarded more generally as the ultimate hope of the patient investor rather than primarily as the immediate means to a speculative fortune.

These impressions are confirmed by the results of one of the most comprehensive analyses of corporation stockholders' lists ever undertaken. This survey, conducted by the Research Department of R. G. Dun & Co., shows the extent to which the apparent trends have actually influenced security ownership in the past two years.

The survey was approached in this way: It was decided to limit the investigation to securities listed on the New York Stock Exchange because this group represents an important percentage of the total securities owned by American investors. To collect the material for analysis a questionnaire was sent to every corporation which has securities of any type listed on the New York Stock Exchange. The questionnaire asked the number of shareholders of all classes of stock on the last record date and on the corresponding date two years ago. It also asked the number of registered bondholders and the percentage of funded debt registered on these dates.

Replies were received from 409 corporations. A total of 346 gave the requested information as to common stockholders' lists. The number reporting on preferred stockholders' lists was 138; information on registered bond holdings was contributed by 80 organizations.

Since the Stock Exchange was chosen as the field of study the corporations replying to the questionnaire were grouped in the same industrial divisions as are listed each month in the New York Stock Exchange *Bulletin*. This provided an accurate check of the percentage of the industry participating in the survey, since on the common and preferred stockholders' lists the market value calculated by the Stock Exchange as of April 1 was compared with the market value of the same date computed by the Research Department for the contributing companies in each group.

The 346 corporations which contributed information on their common stockholders' lists were classified into 31 different industrial divisions. The Stock Exchange market value of all the common stock listed for these 31 groups on April 1 was $19,763,191,675. The market value of the listed common stock of the companies included in the survey was, on the same date, $15,128,913,173. The value of the common stocks, the stockholders' lists of which are analyzed in the survey, is therefore 76.6 per cent of the total value of the same groups.

Two years ago the 346 corporations had 4,-

133,267 common stockholders. As of the last record date the number was 5,847,651, an increase of 1,714,-384, or 41.5 per cent, over the figure of two years ago.

This table lists the groups according to which the contributing corporations were classified, the number of organizations reporting in each group, the percentage of the market value of the group to the Stock Exchange market value and the increase in stockholders in the two-year period:

Two-Year Comparison of Common Stockholders by Industries

	Industry	No. Companies Reporting	Ratio to S. E. Market Value Apr. 1	Number of Stockholders Two Yrs. Ago	Number of Stockholders Current	Percentage Inc.
1	Agricultural Machinery	4	92.1	32,936	49,734	51.1
2	Aircraft	4	76.1	44,082	55,847	26.7
3	Amusement	3	37.2	36,360	53,875	49.4
4	Apparel Manufacturing	2	58.8	3,409	4,761	39.7
5	Automobile	12	94.6	376,823	574,357	52.5
6	Automobile Accessory	13	38.7	67,697	83,184	22.9
7	Building	11	43.6	26,833	34,132	27.2
8	Business and Office Equip...	8	100.0	39,685	54,231	36.6
9	Chemical	28	79.6	200,640	294,873	47.1
10	Electrical Equipment	6	96.6	163,847	209,298	27.8
11	Financial	1	17.2	6,463	10,012	55.0
12	Food	26	80.1	243,398	372,124	52.8
13	Foreign	7	44.9	88,970	139,780	45.4
14	Land-Realty-Hotels	1	16.8	4,347	6,919	59.3
15	Leather and Shoe Mfg......	3	96.6	15,230	15,797	3.7
16	Mach. & Equip. & Metal Mfg.	28	40.2	78,111	109,929	40.7
17	Mining (Excl. Iron).......	19	60.9	169,419	262,050	54.7
18	Miscellaneous	4	84.6	8,558	9,970	16.5
19	Paper and Publishing......	14	92.4	31,522	40,090	27.2
20	Petroleum	19	74.3	294,734	450,673	52.9
21	Railroad	21	56.7	567,027	646,841	14.1
22	Railroad Equipment	9	68.2	78,221	87,814	12.3
23	Retail Merchandising	30	84.9	136,144	239,522	75.9
24	Rubber Goods and Tires....	4	47.0	60,774	76,134	25.2
25	Shipbuilding and Operating.	4	73.3	8,102	9,699	19.7
26	Shipping Services	2	44.2	2,672	3,394	27.0
27	Steel-Iron-Coke	15	79.4	191,702	281,404	46.8
28	Textile	8	50.2	23,311	25,166	7.9
29	Tobacco	12	50.4	52,481	84,956	62.1
30	U. S. Cos. Operating Abroad	6	65.1	94,844	138,570	46.0
31	Utility	22	90.3	984,925	1,422,515	44.4
	Total	346	76.6	4,133,267	5,847,651	41.5

It will be observed that each group showed a gain in the number of stockholders for the two years. The increases range from as low as 3.7 per cent for the Leather and Shoe Manufacturing division to as high as 75.9 per cent for the Retail Merchandising group.

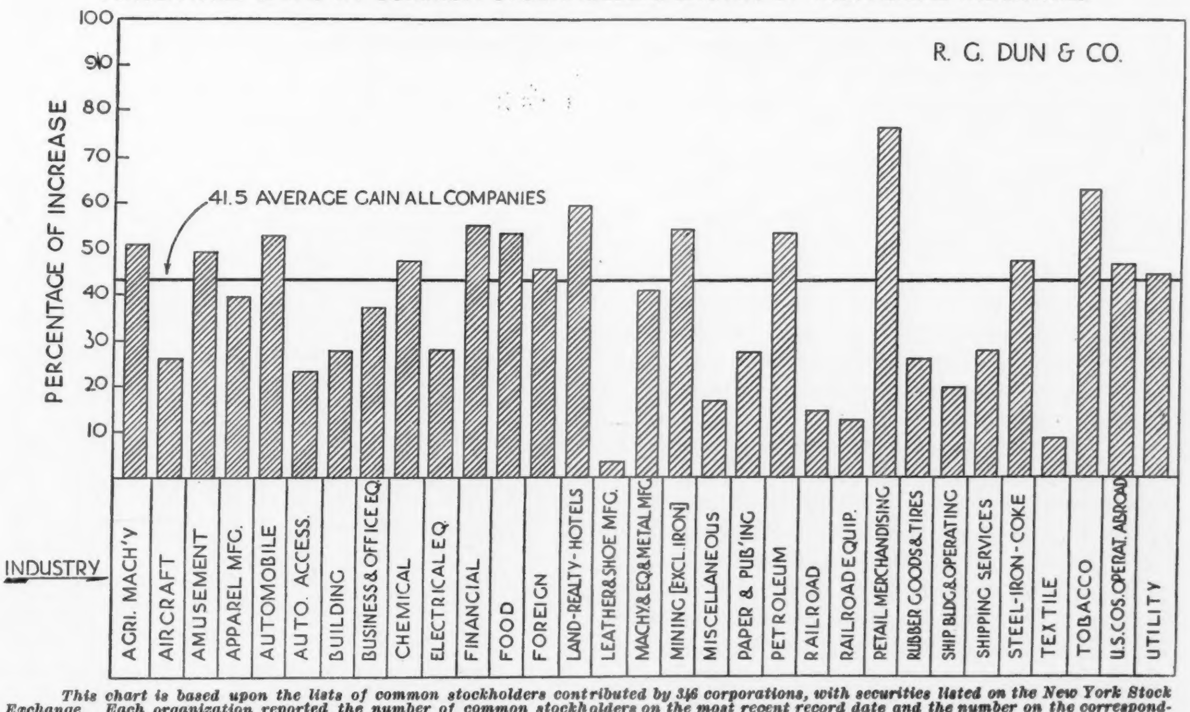
Other groups showing large gains in common stockholders were: Tobacco, 62.1 per cent and Land-Realty-Hotels, Agricultural Machinery, Automobile, Food, Mining, Petroleum and Finance all of which had average increases of more than 50 per cent. The divisions which had the smallest average gains, under 25 per cent, were: Automobile Accessories, Leather, Miscellaneous, Railroad, Railroad Equipment, Shipbuilding and Operating and Textiles.

Two years ago 137 of the 346 reporting companies had stockholders' lists of less than 2,000. As of the last record date the number had shrunk to 106. These changes and those in the remainder of the list are shown in this table:

Distribution of Corporations by Number of Common Stockholders

Number of Common Stockholders	Number of Companies Two Years Ago	Number of Companies Last Record Date	Change Number	Change Percentage
under 1,000	64	39	—25	—39.0
1,000— 2,000	73	67	— 6	— 8.2
2,000— 3,000	34	42	8	23.5
3,000— 4,000	23	30	7	30.4
4,000— 5,000	27	20	— 7	—25.9
5,000— 10,000	40	44	4	10.0
10,000— 15,000	20	24	4	20.0
15,000— 20,000	15	14	— 1	6.7
20,000— 25,000	10	9	— 1	—10.0
25,000— 50,000	21	29	8	38.1
50,000—100,000	13	18	5	38.4
over 100,000	6	10	4	66.7

PERCENTAGE GAINS IN COMMON STOCKHOLDERS SHOWN BY INDIVIDUAL INDUSTRIES

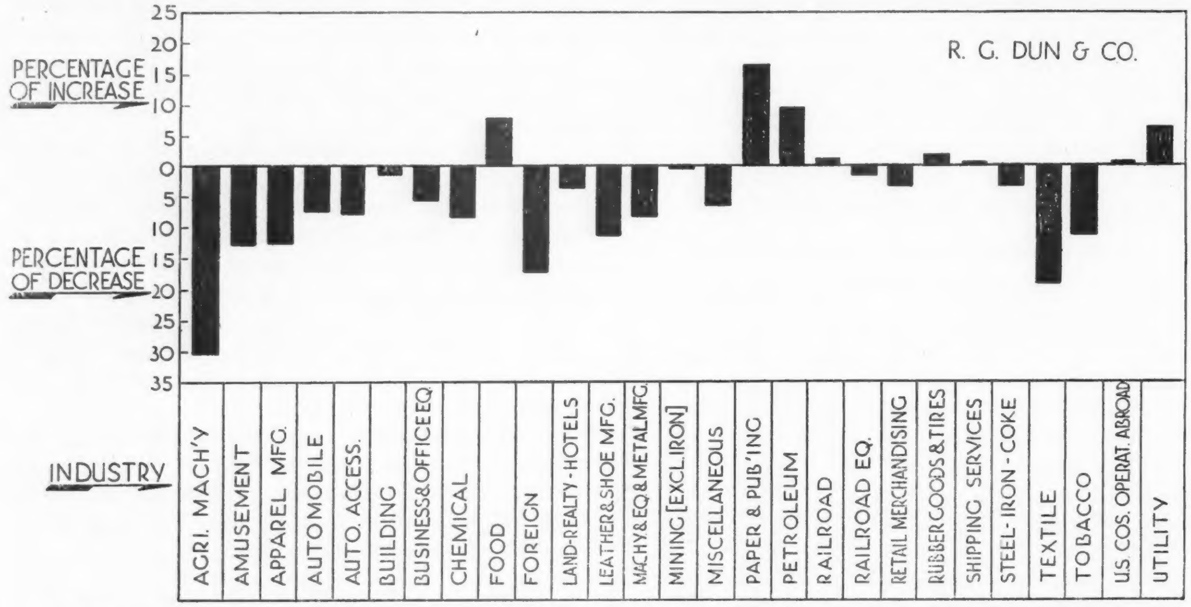


This chart is based upon the lists of common stockholders contributed by 346 corporations, with securities listed on the New York Stock Exchange. Each organization reported the number of common stockholders on the most recent record date and the number on the corresponding date two years ago. The reporting companies are classified into 31 industrial divisions.

The percentage given for each industry is the total increase for the two-year period in the common stockholders' lists of the corporations included in the group.

The total gain in common stockholders for the 346 corporations was 41.5 per cent. A horizontal line is placed on the chart at 41.5 to show at a glance the industries reporting greater and smaller gains than the aggregate increase.

PERCENTAGE CHANGE IN PREFERRED STOCKHOLDERS SHOWN BY INDIVIDUAL INDUSTRIES



This chart is based upon the reports of preferred stockholders' lists contributed by 138 corporations with securities listed on the New York Stock Exchange. Each organization reported the number of preferred stockholders on the most recent record date and the number on the corresponding date two years ago. The 138 corporations are classified into 27 industrial divisions.

The percentage change in preferred stockholders shown for each industry is the actual total percentage increase or decrease for the two-year period in the preferred stockholders' lists reported by the corporations in the group.

The gains and losses are not evenly distributed. However, the decline of 31 in the number of corporations with less than 2,000 stockholders, and the gain of 17 in the number of corporations with more than 25,000 stockholders show a tendency toward larger stockholders' lists for the two-year period.

In the accompanying chart the percentage of the corporations in each group two years ago is compared with the percentage on the last record date. The same stockholders' list subdivisions are used as in the table.

A total of 138 corporations contributed information on preferred stockholders' lists. These companies were classified into 27 industrial groups. The market value calculated by the Stock Exchange for all the listed preferred stocks in these divisions as of April 1 was $4,011,612,791. The market value on the same date of the listed preferred stocks of the organizations contributing to the survey was $1,929,998,496, or 48.0 per cent of the total value of stocks in these groups.

Two years ago the 138 corporations had 662,383 preferred shareholders. As of the most recent record date the total was 664,500, indicating an increase in the two-year period for the entire group of only 0.32 per cent. In spite of this small aggregate gain the groups in which preferred stockholders decreased outnumbered those showing increases. Only 8 groups had more preferred stockholders on their last record dates than two years previously—19 had fewer preferred stockholders on their most recent record dates than on the corresponding dates two years ago.

This table lists the 27 groups according to which the 138 contributors were classified and shows the number in each group. It also shows the percentage of the market value of the listed preferred stocks of the corporations in each group to the official market value for the entire group. The table also shows the number of preferred shareholders two years ago and as of the last record date as well as the percentage increase or decrease:

Two-Year Comparison of Preferred Stockholders by Industries

	Industry	No. Companies Reporting	Ratio to S. E. Market Value Apr. 1	Number of Stockholders Two Yrs. Ago	Number of Stockholders Current	Percentage Ch'ge
1	Agricultural Machinery	3	79.5	32,280	22,551	—30.2
2	Amusement	2	51.3	4,419	3,850	—12.8
3	Apparel	1	78.0	729	639	—12.7
4	Automobile	1	3.9	845	783	— 7.3
5	Automobile Accessory	1	8.2	2,482	2,287	— 7.9
6	Building	5	13.6	6,472	6,398	— 1.1
7	Business & Office Equip.	2	100.0	5,164	4,882	— 5.5
8	Chemical	15	73.5	39,167	42,337	— 8.1
9	Food	12	50.9	83,488	90,048	7.9
10	Foreign	2	46.4	19,812	16,432	—17.1
11	Land-Realty-Hotels	1	62.9	1,957	1,889	— 3.5
12	Leather & Shoe Mfg.	2	47.0	3,628	3,218	—11.3
13	Machinery & Eq. & Metal Mfg.	8	17.9	13,942	12,813	— 8.1
14	Mining (Excl. Iron)	4	55.2	23,603	23,589	— .06
15	Miscellaneous	1	5.5	994	932	— 6.2
16	Paper & Publishing	5	100.0	30,527	35,519	16.3
17	Petroleum	3	37.5	5,036	5,523	9.6
18	Railroad	12	45.5	52,080	52,721	1.2
19	Railroad Equip.	5	83.9	18,043	17,795	— 1.4
29	Retail Merchandising	16	55.4	24,137	23,388	— 3.1
21	Rubber Goods & Tires	3	55.2	50,753	51,681	1.8
22	Shipping Services	2	55.1	2,603	2,592	.4
23	Steel-Iron-Coke	6	84.6	102,078	98,865	— 3.1
24	Textile	4	22.5	1,716	1,390	—19.1
25	Tobacco	8	57.7	13,512	11,988	—11.3
26	U. S. Cos. Operating Abroad	1	4.1	656	660	.6
27	Utility	13	35.2	122,260	129,730	6.1
	Total	138	48.0	662,383	664,500	0.32

The changes range from a decrease of more than 30 per cent for the Agricultural Machinery to a gain of over 16 per cent for the Paper and Publishing Industry. Exclusive of these extremes, the

heaviest decreases were in the Textile Industry, Foreign Companies, Amusement Industry, and Apparel Manufacturing Industry. The most pronounced gains were in the Chemical, Food, Petroleum, and Utility industries.

There were generally far fewer preferred stockholders in the average corporation than common stockholders. For this reason smaller intervals were used in classifying the corporations according to number of stockholders two years ago and as of last record date.

The comparison is made in this table:

Distribution of Corporations by Number of Preferred Stockholders

Number of Preferred Stockholders	Number of Companies Two Years Ago	Number of Companies Current	Change Number	Change Percentage
under 500	17	19	2	11.7
500— 1,000	30	30	0	0
1,000— 1,500	14	14	0	0
1,500— 2,000	14	11	—3	—21.4
2,000— 2,500	8	8	0	0
2,500— 3,000	5	8	3	60.0
3,000— 4,000	6	5	—1	—16.7
4,000— 5,000	6	10	4	66.6
5,000— 6,000	10	5	—5	—50.0
6,000— 7,000	3	4	1	33.3
7,000—10,000	7	9	2	28.6
10,000—15,000	4	3	—1	—25.0
15,000—20,000	5	4	—1	20.0
20,000—25,000	3	5	2	66.6
over 25,000	5	3	—2	—40.0

Whereas, two years ago, there were 5 corporations with more than 25,000 preferred stockholders, there are now only 3. The 2 which dropped from the highest category are now in the 20,000 to 25,000 group and account for the gain which it shows. Similar counterbalancing changes are shown in the remainder of the list. For instance, the decline from 10 to 5 in the 5,000 to 6,000 group accounts for the gain from 6 to 10 in the next lowest classification.

In the accompanying chart the percentage of the total number of companies in each classification as of the last record date is compared with the percentage in the same classifications two years ago.

Relatively few corporations reported the number of their registered bondholders or the percentage of funded debt registered in owners' names. This was due partly to the fact that only a small percentage of the corporations participating in the survey had bonds listed on the New York Stock Exchange and also to the fact that not all corporations keep precise records of this kind because of the small number of investors who register bonds.

A total of 84 corporations in 3 major groups contributed the information on the number of registered bondholders on their books which is summarized in this table:

Number of Registered Bondholders

Number Companies	Group	No. of Registered Bondholders Two Yrs. Ago	No. of Registered Bondholders Recent Record Date	Change No.	Change Percentage
40	Railroads	14,375	13,678	—697	—4.9
28	Industrials	3,664	3,526	—138	—3.8
16	Utilities	1,755	1,832	77	4.4
84	Corporations	19,794	19,036	—758	—3.8

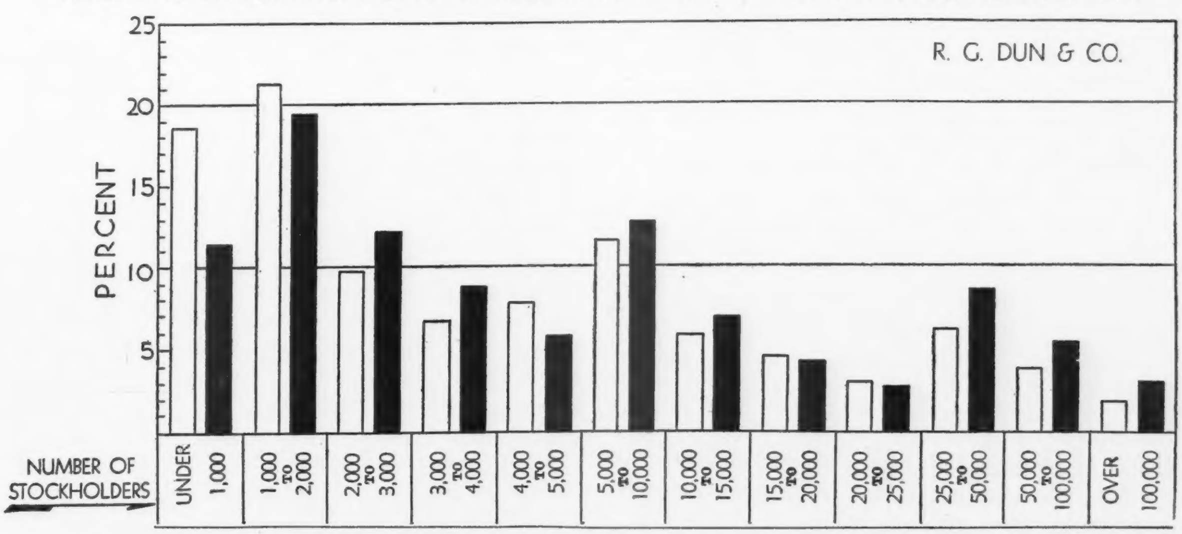
The only gain was shown by the smallest group, the utilities. Both the rail and industrial divisions, which represent 81 per cent of the number of corporations reporting, showed decreases in the number of their registered bondholders.

Of these 84 corporations, 80 were able to contribute data on the percentage of funded debt registered on the last record date and on the same date two years previous. This table gives the summary of this information:

Average Percentage of Funded Debt Registered

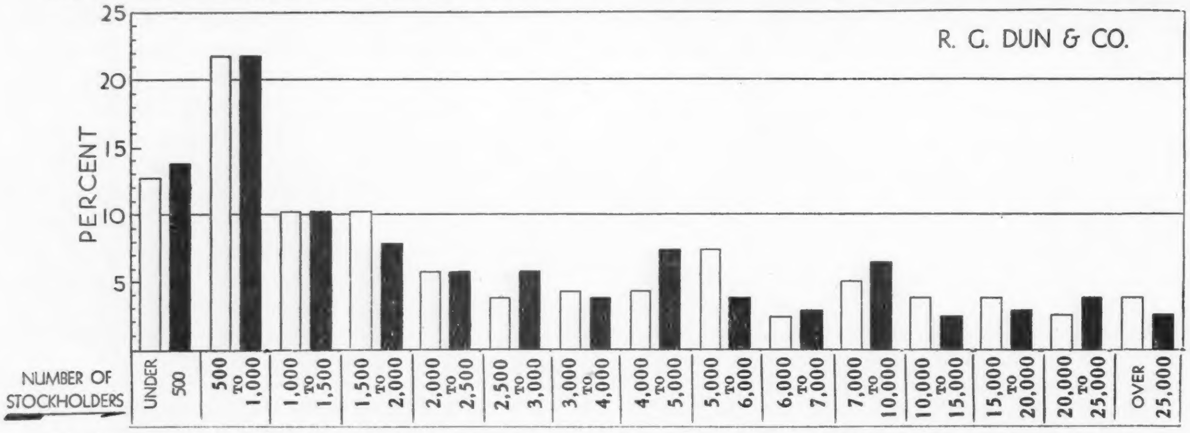
Number of Companies	Group	Percentage Funded Debt Registered Two Years Ago	Percentage Funded Debt Registered Recent Record Date	Percentage Change
40	Railroads	16.38	16.59	.21
25	Industrials	5.02	4.68	— .34
15	Utilities	6.01	8.61	2.61
80	Corporations	10.88	11.37	.49

REPORTING CORPORATIONS GROUPED ACCORDING TO SIZE OF COMMON STOCKHOLDERS' LISTS



In this chart the 346 contributing corporations are grouped according to size of common stockholders' lists. The figure, 346, is taken as 100 per cent in order that the corporations in each group may be shown in terms of percentage of the total number.
The black bars represent the percentage of the total number in the specified groups as of the most recent record dates.
The white bars represent the percentage of the total number in the specified groups on the corresponding record dates two years ago.
For example: in the first group, UNDER 1,000, the black bar indicates that as of the most recent record dates only 11.3 per cent of the 346 corporations had less than 1,000 common stockholders, while the white bar indicates that on the corresponding dates two years ago 18.5 per cent of the total number were in this category.

REPORTING CORPORATIONS GROUPED ACCORDING TO SIZE OF PREFERRED STOCKHOLDERS' LISTS



In this chart the 138 contributing corporations are grouped according to size of preferred stockholders' lists. The figure, 138, is taken as 100 per cent in order that the corporations in each group may be shown in terms of the total number.

The black bars represent the percentage of the total number in the specified groups as of the most recent record dates.

The white bars represent the percentage of the total number in the specified groups on the corresponding record dates two years ago.

For example: in the first group, UNDER 500, the black bar indicates that as of the most recent record dates 13.8 per cent of the 138 corporations had less than 500 preferred stockholders, while the white bar indicates that on the corresponding dates two years ago only 12.3 per cent of the total number were in this category.

SUMMARY

The major trends in security distribution shown by the survey of the past two years are:

1. Holders of common stock have increased by more than 40 per cent.

2. Holders of preferred stock have increased by a negligible amount in the aggregate although they have decreased in 19 out of 27 industrial groups.

3. There has been a decline of about 4 per cent in the number of registered bondholders.

4. There has been a nominal gain in the percentage of corporate funded debt registered in owners' names.

To what conclusion do these facts point? They confirm the belief that common stock psychology is still the ruling investment force—that the belief persists that carefully chosen common stocks will ultimately enhance greatly in value and that income securities are unlikely to participate to a satisfactory degree in our future corporate prosperity.

There are several factors which have contributed to the gain in common stock ownership and to the decline in income security ownership. The influence of each is impossible to measure since all have combined to bring about the effect. One of the primary influences is the long continued downtrend in security prices, another is the relative scarcity of income issues and a third is the psychology of the American investor.

In his book, "The Work of the Stock Exchange," Mr. J. E. Meeker, Economist of the New York Stock Exchange, presented a concentrated study of the relationship between price and security ownership. He chose a 24-year period and analyzed the price and investment ratio fluctuations in that interval of U. S. Steel Preferred and Common. This point is graphically illustrated: that stock in investors' hands always increased as price declined and that stock holdings decreased as prices rose. Undoubtedly, this influence has been at work on a very broad scale in the past two years.

Another factor which bears upon increased common stock and decreased income security ownership is the great abundance of common stocks available and the comparative scarcity of prime income issues. Many corporations retired bonds and preferred stocks up to 1929 whenever the opportunity offered. Many refunded bonds with attractive coupons.

The investor for income saw his bonds and preferred stocks retired and his bonds refunded. Each time such an operation was completed the choice of prime income securities was further narrowed.

Because of retirement and refunding, common stocks have, in many cases, become the senior and only issues of our most prominent corporations. Whoever would invest in these corporations has no choice but to take common stock.

The psychological factor is an important one.

Common stocks have been popular in recent years because they appeal to the American temperament. We are a young nation. Our entire history has been one of growth and improvement—of achievement and of progress. This background has made us in all things optimistic and aggressive—impatient alike of delay and of complacency. This mental attitude places the common stock in a position of ascendency, since it represents, to the exclusion of other securities, actual, profitable participation in the future of the country.

From the viewpoint of the average American investor, the case for the common stock may be summed up in these words: Common stocks are dynamic; income securities are static.

SECURITY TRADING AT LOW EBB

by GEORGE RAMBLES

The volume of transactions holds well below 1,000,000 shares per day most of the week. Prices slightly improved after check in the down-trend. European rate reductions reflect money ease abroad. Low money rates continue to influence listed bond market. Industrial bonds stronger. Foreign dollar bonds active.

Price movements on the New York Stock Exchange were of no especial consequence in the dull sessions that dragged along one after the other this week. Quotations drifted idly, with fractional advances one day offsetting fractional losses of the previous dealings. Transactions were at the slowest pace witnessed in a long time, the daily dealings aggregating only 600,000 to 700,000 shares in the majority of sessions. In bonds, as well as in stocks, these conditions prevailed, and the dullness was accentuated by the fact that a large proportion of the stock trades consisted of floor transactions.

In the securities as well as in other markets it is clear that there is a determination to await more definite indications of the trend of trade and industry. The financial house-cleaning is considered practically completed, as money rates are exceptionally easy, bank failures virtually have ceased and international monetary disturbances have been modified. Indeed, in the latter respect great progress still is apparent, the reductions of the Bank of England discount rate Thursday from 3 to 2½ per cent, and the Irish Bank rate from 4 to 3½ per cent, giving evidence of the forward movement. Available indices, however, give little occasion for immediate encouragement so far as basic industries are concerned. There were such significant incidents this week as a further reduction in the unfilled order total of the United States Steel Corporation by 145,000 tons to 2,326,000 tons. The latter figure is the lowest aggregate of bookings on record for the corporation. Weekly carloadings show further shrinkage in the amount of freight handled by the carriers of the country. Dividend action of leading corporations also continues to reflect the trying times, the New York Central Railroad definitely omitting its declaration this week on common stock and ending a record for continued payments that goes back to 1870.

INDUSTRIAL NEWS LITTLE IMPROVED

Stock prices hardly varied this week from the levels reached on the modest upturn of the final sessions of last week. Leading stocks, like United States Steel common, American Telephone, American Can, Atchison, New York Central, Union Pacific and others in this classification varied only by small fractions from day to day. The levels were mostly at or close to the lowest on record for the current movement, and in many instances the figures represented the lowest for decades.

In the listed bond market, strictly monetary phenonema were perhaps of greater importance this week than external factors. Indications of easy money rates, supplied by the reductions in bank discount rates and discounts on bankers' bills, were hopeful. The continued open market operations of the Federal Reserve banks were felt more and more, as leading banks began to turn to the bond market for investment of their swollen aggregates of surplus funds. The New York Clearing House announced Tuesday a decision to reduce by ½ of 1 per cent the interest paid on demand and time deposits. The new rates will be ½ of 1 per cent on demand deposits, with the exception of savings bank depositors, who will receive 1 per cent. Demand deposits also will be 1 per cent. The new levels were made effective Wednesday. The cost of short-term Treasury borrowing remains unusually low.

United States Government bonds were steady to firm in most sessions. Short term obligations of the Treasury were in great demand at times and quotations mounted, but the improvement was less pronounced in long term Treasury issues. To an increasing degree, the betterment was reflected in prime domestic corporation bonds which are considered largely money market obligations. Other bonds, such as the low-priced carrier obligations, reflected sustained purchases by thrifty investors. Good results also were apparent in almost all foreign dollar bonds, substantial orders being executed here for European account.

BOND MARKET ACTS BETTER

Daily transactions in stocks and bonds on the New York Stock Exchange compare with last year as follows:

Week Ending	Stocks—Shares		Bonds	
May 11, 1932	This Week	Last Year	This Week	Last Year
Thursday	1,000,000	1,700,000	$10,373,600	$11,398,000
Friday	1,629,700	2,300,000	14,053,000	12,840,000
Saturday	638,800	1,200,000	5,954,000	5,275,000
Monday	600,000	1,700,000	13,253,000	8,616,000
Tuesday	700,000	1,300,000	8,516,000	10,769,000
Wednesday	700,000	1,600,000	8,284,000	10,142,000
Total	5,268,500	9,800,000	$60,433,600	$59,040,000

WEEK'S FAILURES INCREASE

Business failures continue very high, the number this week in the United States, according to the records of R. G. Dun & Co., being 662, against 601 last week, 670 the preceding week and 516 a year ago. The tendency for the past six months has been in the direction of a higher level and while the seasonal movement has characterized these returns during that period, little evidence of any marked betterment in the latest figures has been apparent.

All four geographical sections of the country contribute to this week's increase. The West makes the least satisfactory return, although the East and South show a considerably larger number this week, as compared with the preceding week. Going back to a year ago, substantial additions appear. Of this week's failures in the United States, 418 had liabilities of $5,000 or more in each instance, against 392 last week, 431 in the preceding week and 306 last year. There was an increase this week, compared with last week for all four geographical divisions.

Canadian failures this week, as reported by R. G. Dun & Co., numbered 45, against 60 last week, 43 the preceding week, and 38 last year.

SECTION	Week May 12, 1932		Week May 5, 1932		Week Apr. 28, 1932		Week May 14, 1931	
	Over $5,000	Total	Over $5,000	Total	Over $5,000	Total	Over $5,000	Total
East	179	256	171	237	184	263	144	205
South	89	144	73	130	97	166	51	99
West	101	169	100	143	105	164	77	135
Pacific	49	93	48	91	45	77	34	77
U. S.	418	662	392	601	481	676	306	516
Canada	26	45	28	60	20	43	23	38

LARGE ADVANCE IN INSOLVENCY INDEX

Dun's Insolvency Index since September of last year has shown quite a uniformly high level movement each month. Conditions in respect to business failures in the United States during the whole of 1930 and 1931 were rather disturbing, but as the Summer of 1931 progressed a tendency toward improvement developed. This was all changed by the financial troubles of some of the leading European countries. The latter was first reflected in the failure record of October. From that time on a uniform and quite large advance appeared each month until January, followed by a subsequent seasonal decline in the succeeding months. Since the close of the war in Europe, the only other year prior to 1930 when the failure record was particularly heavy, was 1922. The past eight months, however, have shown a considerable advance over the figures of 1922.

In the early returns for the present month, no indication of any marked improvement has appeared. Dun's Insolvency Index makes the highest return for January, being 201.8, and the May record to date is 152.6, a decline of 49.2 points. In January, 1931, the Insolvency Index was 188.4. For the corresponding period in May of last year, at 133.7, there was a reduction of 54.7 points, while for 1922, with January at 173.7, and May 124.4, the latter was 47.3 lower. Compared with April, the May figures to date this year are 5.4 points lower, against a decline a year ago of 0.4 points; 30 points for the same period in 1930 and 12.9 points in 1922. It is to be recalled that the disturbance of 1921-1922 began to recede quite abruptly in May and June of the year last mentioned.

The figures printed below are computed on the basis of the number of commercial insolvencies to each 10,000 business firms in the United States:

	Monthly 1932	Monthly 1931	Monthly 1930	5-Year Average 1925-29	Ratio	Monthly 1922	Monthly 1921
May to date......	152.6	133.7	122.0	104.5	119.8	124.4	88.5
April	158.0	134.1	125.0	107.4	123.0	137.3	93.8
March	159.7	146.0	128.4	110.4	126.6	144.8	98.1
February	165.9	169.0	146.7	128.2	147.0	168.7	128.4
January	201.8	188.4	150.2	139.5	160.0	173.7	126.2
December	158.8	140.7	114.7	112.0	128.3	159.6	114.0
November	141.2	127.0	101.1	107.1	122.8	132.8	112.5
October	134.4	117.0	100.0	99.2	113.8	109.8	107.3
September	114.0	112.9	90.2	97.2	109.5	94.5	98.7

BANK SETTLEMENTS STILL UNIMPROVED

Except in a minor detail, bank clearings continue to make quite as unsatisfactory a comparison as during the early months of the year. The total this week for all leading cities in the United States of $4,582,857,000 is 42.5 per cent smaller than a year ago. At New York City, clearings were $3,058,562,000, a reduction of 45.6 per cent, while the total for the cities outside of New York of $1,524,295,000 was 34.9 per cent less.

Clearings at leading cities, compared with those of last year, as compiled by R. G. Dun & Co., are printed herewith; also, average daily figures for each month this year:

	Week May 11, 1932	Week May 13, 1931	Per Cent
Boston	$189,000,000	$382,000,000	—50.5
Philadelphia	246,000,000	406,000,000	—39.5
Baltimore	54,441,000	71,946,000	—24.3
Pittsburgh	79,201,000	131,506,000	—39.8
Buffalo	23,300,000	37,400,000	—37.7
Chicago	229,900,000	416,000,000	—44.7
Detroit	55,240,000	113,167,000	—51.2
Cleveland	57,300,000	99,074,000	—42.2
Cincinnati	37,842,000	56,764,000	—33.3
St. Louis....................	55,800,000	86,500,000	—35.5
Kansas City..................	62,110,000	80,806,000	—22.9
Omaha	22,000,000	35,000,000	—37.1
Minneapolis	45,374,000	58,000,000	—21.8
Richmond	23,555,000	32,599,000	—27.7
Atlanta	28,900,000	37,500,000	—22.9
Louisville	17,006,000	22,580,000	—24.7
New Orleans..................	24,380,000	37,818,000	—35.5
Dallas	23,796,000	35,014,000	—32.0
San Francisco.................	103,000,000	141,100,000	—27.0
Portland	24,948,000	31,668,000	—21.2
Seattle	22,202,000	30,286,000	—26.7
Total	$1,524,295,000	$2,342,728,000	—34.9
New York....................	3,058,562,000	5,625,459,000	—45.6
Total all....................	$4,582,857,000	$7,968,187,000	—42.5
Average Daily:			
May to date..................	$831,717,000	$1,468,284,000	—43.4
April	794,652,000	1,457,562,000	—45.5
March	970,338,000	1,409,172,000	—46.5
February	803,845,000	1,389,211,000	—42.1
January	996,005,000	1,414,552,000	—29.6

APRIL INSOLVENCIES SLIGHTLY LOWER

Although commercial insolvencies throughout the United States remain above the average, the record for April shows a slight recession from that of the preceding month. The number reported to R. G. Dun & Co. for April was 2,816, with a total liability of $101,068,693.

In comparison with the defaults of March, this year, those for April show a decrease of 4.6 per cent but are 18.2 per cent above the 2,383 reported for April of last year. A numerical increase of 28.1 per cent appears over the April, 1930, total of 2,198 insolvencies.

The indebtedness rose to an unprecedented height of $101,068,693, of which $62,483,222, or 61.8 per cent, is composed of insolvencies having an indebtedness of $100,000 or over in each instance. The present liabilities are 98.7 per cent in excess of the $50,868,135 for April of last year, but are only 3.5 per cent above the former high record for all months, that of March, 1924, when $97,651,026 was reported. In no previous April has the number or liabilities been so high as in the present year.

Monthly and quarterly failures, showing the number and liabilities, are contrasted below for the periods mentioned:

	Number			Liabilities
	1932	1931	1930	1932
April	2,816	2,383	2,198	$101,068,693
March	2,951	2,604	2,347	$93,760,311
February	2,732	2,563	2,262	84,900,106
January	3,458	3,316	2,759	96,860,205
1st Quarter	9,141	8,483	7,368	$275,520,622
	1931	1930	1929	1931
December	2,758	2,525	2,037	$73,212,950
November	2,195	2,031	1,796	60,659,612
October	2,362	2,124	1,822	70,660,436
4th Quarter	7,315	6,686	5,655	$204,532,998
September	1,936	1,963	1,568	$47,255,650
August	1,944	1,913	1,762	53,025,132
July	1,983	2,028	1,752	60,997,853
3rd Quarter	5,863	5,904	5,082	$161,278,635
June	1,993	2,026	1,767	$51,655,648
May	2,248	2,179	1,897	53,371,212
April	2,383	2,198	2,021	50,868,135
2nd Quarter	6,624	6,403	5,685	$155,894,995
March	2,604	2,347	1,987	$60,386,550
February	2,563	2,262	1,965	59,607,612
January	3,316	2,759	2,535	94,608,212
1st Quarter	8,483	7,368	6,487	$214,602,374

ANALYSIS OF APRIL INSOLVENCY RECORD

A more interesting exhibit of the April insolvencies is made in the table classifying the failures by branches of business. Among manufacturers, there were 641 defaults involving $43,138,172 of liabilities. Of the fifteen major lines of industry, fourteen show an increase over the like period of 1931. Most prominent among these are iron, steel and foundries, cottons, clothing, chemicals and drugs, paints and oils, printing and engraving, bakers, leather and shoes, tobacco, glass and earthenware and the "all other" classification.

In the trading division, the increase also was general. With the exception of hotels, restaurants and tobacco, all lines show an increase over the total for April, 1931.

The class embracing agents and brokers numbered 169 failures in April, an increase of 7.0 per cent over the 158 reported for the same month of last year.

FAILURES BY BRANCHES OF BUSINESS—APRIL

	Number			Liabilities	
Manufacturers	1932	1931	1930	1932	1931
Iron, Found. & Nails	24	14	10	$3,205,826	$1,128,055
Machinery and Tools	45	41	32	3,101,215	2,456,316
Woolens, Carpets &c.	6	7	3	198,046	631,600
Cottons, Lace&Hsry.	5	1	1	216,903	17,600
Lbr., Bldg. Lines, &c.	77	75	106	5,757,332	4,087,449
Clothing & Millinery	60	50	41	3,210,491	651,595
Hats, Gloves & Furs	21	20	16	405,556	311,193
Chemicals and Drugs	17	8	7	540,327	236,706
Paints and Oils....	6	1	2	138,805	30,000
Printing & Engrav'g	31	10	15	1,265,100	834,129
Milling & Bakers..	51	38	38	529,471	878,174
Leather, Shoes, &c.	21	12	4	1,187,763	1,120,558
Tobacco, &c........	14	6	3	406,012	98,428
Glass, Earth'w'e, &c.	18	5	10	944,956	150,158
All Other..........	245	227	246	22,030,369	6,087,189
Total Mfg........	641	515	534	$43,138,172	$18,719,144
Traders					
General Stores.....	110	109	108	$1,628,953	$1,804,640
Groc., Meat & Fish.	367	320	273	3,863,838	4,124,068
Hotels & Restaurants	93	100	87	5,521,609	1,212,671
Tobacco, &c........	15	31	26	156,218	153,791
Clothing & Furnish'g	338	250	202	6,593,414	3,282,463
Dry Goods & Carpets	158	112	103	3,436,037	1,660,829
Shoes, Rub. & Trunks	89	88	54	1,060,956	943,031
Furniture & Crockery	119	71	61	3,284,839	1,645,534
H'ware, Stov. & Tools	75	53	63	931,285	1,042,969
Chemicals & Drugs.	113	92	75	1,540,182	1,261,649
Paints & Oils......	10	6	5	83,129	86,237
Jewelry & Clocks...	74	61	50	2,367,227	1,170,367
Books & Papers....	24	18	10	921,987	191,620
Hats, Furs & Gloves	21	13	14	266,262	149,032
All Other..........	400	386	369	10,080,336	7,657,330
Total Trading....	2,006	1,710	1,500	$41,736,272	$26,386,171
Agents and Brokers.	169	158	164	16,194,239	5,762,820
All Commercial...	2,816	2,383	2,198	$101,068,693	$50,868,135

The largest percentage of gain appears in the manufacturing line, with an increase of 24.5 per cent over the 515 defaults of the corresponding period of 1931, while the trading class is 17.3 per cent higher than the 1,710 failures of last April. The liabilities were heavy in every instance in the manufacturing classification, except in the line embracing woolens, carpets and knit goods and in the milling and baking group.

Among traders, general stores and grocers, meats and fish, and hardware, insolvencies reveal decreases, though these are almost negligible when compared with the sharp upturn in the indebtedness for the hotel and restaurant, clothing and furnishings, jewelry and clocks groups and the division listed as "all other."

The liabilities were considerably higher for "Other Commercial" lines, being $16,194,239, or 181 per cent in excess of the $5,762,820 reported for April of last year. An unusual number of large insolvencies accounted for the heavy indebtedness.

BUSINESS CONDITIONS—REPORTED BY

BALTIMORE The reappearance of low temperatures has checked temporarily the free movement of seasonal merchandise. Outdoor activities, however, are on the increase and are bettering the unemployed status. Houses specializing in sporting goods and athletic merchandise report Spring trade to be generally satisfactory.

Spring fertilizer sales have increased somewhat, but they are substantially under the figures for the 1931 season. Shipyards are displaying more activity, which is stimulating the demand for marine hardware and naval supplies. Shoe manufacturers are increasing their output, and current moderate prices are stimulating sales.

BOSTON Some of the woolen manufacturers appear hopeful of an increase in business in the near future, but no buying has developed to change the quiet condition of the local wool market, and the uncertainty has caused a further easing in prices. Manufacturers have taken limited quantities of carpet wools at irregular prices.

Packer hides have been more active during the week at higher prices, but the demand for New England skins has been light and the market weak. Shoe manufacturers continue to operate moderately, and new orders are coming in slowly. Sales of automobile specialties and tires are on the increase.

BUFFALO Retail business still is uncertain, and the past week has not shown results satisfactory to general trade. Paints and oils are showing increased activity. Hardware is moving slowly. Electric refrigerators appear to be in active demand, and are being sold largely on the deferred payment plan.

Manufacturers in nearly all lines are accumulating no surplus stock. The retailer as well as the wholesaler is not overstocked with merchandise, and with anything like a normal demand, there will be a shortage for immediate shipment.

CHICAGO Wholesale trade has improved, but retail trade remains at about the same level as in recent weeks. The warmer weather over the week-end brought a brisk upturn in women's ready-to-wear and millinery at wholesale and Monday found a good number of out-of-town buyers in the field. Textile and drapery demand remained fair.

Ready-to-wear, housewares, home-furnishing and home-dressmaking items made the best showing at retail. Manufacturing continues uneven, with many small firms in the Middle West working full time and, in some cases, these have more orders than can be filled immediately.

CINCINNATI Trade movements in general continue irregular. In most directions business conditions are only moderately active, but evidence of improvement in certain major branches recently has been apparent. The advent of warmer temperatures during the past week resulted in an upswing to retail and wholesale distribution of seasonal commodities.

In this respect, the demand consisted principally for underwear, hosiery, wash goods, women's apparel and articles for household use. Encouraging reports are heard from adjacent agricultural regions based on crop reports.

CLEVELAND No important improvement was made during the week in the general status of manufacturing. The subnormal condition existing earlier in the Spring continues, and both sales and production in most industries failed to register expected results.

The basic trades are affected principally by retarded buying on the part of the railroads, building construction and automobiles. Paint, varnish and wallpaper latterly experienced some improvement, but in general the situation is estimated to be about 25 per cent below normal.

DETROIT Retail trade shows a slight improvement over last month, and internal adjustments are in process which are calculated to stimulate the seasonal improvement anticipated in the second quarter. It still has a sidewise rather than a forward movement at low levels, but the general feeling of discouragement is less apparent in the attitude of trade and industry than heretofore. Most dealers are becoming reconciled to smaller profits, and evince a healthier attitude toward conditions, trying to make the best of what now is becoming stabilized.

KANSAS CITY Distribution of staples in dry goods, hardware and drugs continues fairly active. Leading department stores report Spring items moving along satisfactorily, although movement generally is in the lower-priced articles. Jewelry, luggage houses and sporting goods concerns report a little activity for their season now approaching.

LOS ANGELES Adjustment of operating expenses in practically all lines to meet the decrease in volume has helped to ease the general business situation, and the large percentage of business concerns is in a better position than at this time a year ago. Department store sales have held fairly steady, but with no apparent improvement, and further reduction of inventory is reported, merchandise stocks having been reduced to meet the decreased volume.

DISTRICT OFFICES OF R. G. DUN & CO.

LOUISVILLE General business activity during the current month has kept steady at the level recorded during the closing weeks of April. There are indications, however, that give promise of a definite improvement in the next sixty to ninety days.

There has been a decided improvement in the movement of paints and varnishes, but buying continues for immediate requirements only. The continued cold weather is retarding the shipments of agricultural implements, but an improvement in this direction is expected during the next few weeks.

NEWARK Local retail distribution is centered very largely on hosiery, millinery and women's footwear. While garden tools, hose and general Spring hardware are selling well, the volume of sales is somewhat below that of last season. Paints and varnishes are moving in somewhat larger quantities.

While automotive accessories and parts are in fair demand, sales of new cars have fallen short of the expected volume. Building operations continue quiet, the new projects undertaken being mainly residences in the outlying districts.

PITTSBURGH More seasonable temperatures have resulted in a moderate increase in demand for Spring merchandise, particularly for women's and children's wearing apparel of the cheaper grades. While the movement of men's clothing is at a slightly higher rate, the volume of business in that line continues below normal. There is a slightly better movement of shoes but this is restricted almost entirely to the cheaper grades.

House-furnishings have been moving at a slightly higher rate, and electric refrigerators have been in increasing demand. Automobile sales have not been up to expectations, but there is a fair demand for accessories and replacement parts.

PORTLAND, Ore. Favorable weather is maintaining the volume of retail trade at a fairly steady level, with sales sustained further by widespread advertising. The price structure continues firm, with a few advances noted during the last few weeks. Paint, wallpaper and builders' hardware are moving in larger volume. Fuel dealers also report increased sales. Outdoor work of all kinds is progressing, and is helping to absorb much of the surplus labor.

ROCHESTER Average daily checks cashed during April showed an 11 per cent advance over those for March. Municipal employment for April was ahead of the record for March, and the number of express shipments for April was 7 per cent in excess of those in April, 1931. Retail apparel buying continues sluggish, unseasonable weather playing the main factor.

ST. LOUIS General business conditions in this district have not shown any appreciable change over the previous week, but comment appears more favorable, and it is believed that the near future will show some improvement. Seasonal articles are moving fairly satisfactorily, with orders more frequent from merchants in rural districts.

Business with manufacturers and jobbers of textile trades has been quiet for the week, while the demand for boots and shoes has improved slightly. Manufacturers of heavy chemicals and drugs show an improvement in sales, but report prices somewhat depressed.

SAN FRANCISCO Local department stores still are conducting anniversary sales; while the movement of goods has been large, the dollar volume is low. Men's wear and haberdashery is showing increased activity, particularly in the cheaper lines. Neither men's nor women's shoes are moving so rapidly as expected, despite the prevailing low prices. There has been a slight increase in wholesale distribution.

TOLEDO Retail trade holds level in volume, but with a continuously lowering of sales prices; the same is true of food commodities, which are more plentiful, as warmer weather arrives. Employment in two or three industrial plants is temporarily lowered to allow for periodic inventory processes, but total number of employed in all plants has remained almost stationary for several weeks. Building is confined entirely to residence structures, but shows a slight increase over the activities of a week ago.

TWIN CITIES (Minneapolis-St. Paul) Widespread rains continuing for several days have resulted in bad road conditions and interference with retail trade in many areas. The precipitation has brightened the previously favorable prospects of a satisfactory grain crop. The rain has delayed the movement of Spring and early Summer merchandise, more especially wearing apparel. Flour sales have not been active, but there has been, as yet, no further falling off in production, there being a slight accumulation of unfilled orders.

WICHITA There appears to be very little change in conditions in this vicinity, although with the approach of seasonable weather some lines report an improvement. Some of the larger stores continue sales to stimulate buying, and seem to be satisfied with smaller profits. Building operations are quiet, and there is quite a number unemployed in that industry here. There has been quite a demand for electrical refrigerators since the recent price reduction in the standard lines.

WEEKLY QUOTATION RECORD OF

The sustained upward movement of commodity prices during the last three weeks has been stabilized further by favorable governmental action, increased strength in the grain markets, and expanding operations in the steel and automobile industries. As a result, advances this week in Dun's

FOODSTUFFS

	Net Change	This Week	Last Week	Last Year
BEANS: Pea, choice.....100 lbs	+10	2.70	2.60	5.00
Red kidney, choice ..... " "	+20	2.35	2.15	8.25
White kidney, choice.... " "	+15	4.50	4.35	6.25
COFFEE: No. 7 Rio.........lb	+¾	8½	7¾	6¼
" Santos No. 4....."	+½	10¼	9¾	9¼
DAIRY:				
Butter, creamery, extra......lb	−1¼	19	20¼	24½
Cheese, N. Y., fancy........ "		17½	17½	12
Eggs, nearby, fancy.......doz		20½	20½	22
Fresh, gathered, extra firsts. "		17	17	19½
DRIED FRUITS:				
Apples, evaporated, fancy....lb		8	8	8¼
Apricots, choice ...."	+¼	8¾	8½	13½
Citron, imported............"	+½	17½	17	16½
Currants, cleaned, 50-lb. box. "		11¼	11¼	11¼
Lemon Peel, Imported......"	+½	16½	16	15
Orange Peel, Imported......"	−½	17	17½	16
Peaches, Cal. standard......"	+½	7	6½	8
Prunes, Cal. 40-50, 25-lb. box. "	+¼	4½	4¼	6¼
FLOUR: Spring Pat.....196 lbs		4.20	4.20	4.65
Winter, Soft Straights.. " "	−5	3.20	3.25	4.05
Fancy Minn. Family.... " "	−10	5.35	5.45	6.00
GRAIN: Wheat, No. 2 R.......bu	−⅛	69⅜	69½	96
Corn, No. 2 yellow.........."	+⅝	46	45⅜	72⅝
Oats, No. 3 white..........."	+1½	33½	32	37½
Rye, No. 2, F.O.B..........."		53⅛	53⅛	47⅜
Barley, malting............"	−2½	49¾	52¼	57½
Hay, No. 1 ....100 lbs		90	90	1.35
HOPS: Pacific, Pr. '31........lb		19	19	21
MOLASSES AND SYRUP:				
Blackstrap—bbls. ....gal		9¾	9¾	10
Extra Fancy.............. "		54	54	54
PEAS: Yellow split, dom. 100 lbs		5.35	5.35	3.75
PROVISIONS, Chicago:				
Beef Steers, best fat....100 lbs	−25	7.50	7.75	9.25
Hogs, 220-250 lb. w'ts... " "	−15	3.60	3.75	6.80
Lard, N. Y., Mid. W..... " "	−15	4.50	4.65	8.35
Pork, mess................bbl		16.75	16.75	23.50
Lambs, best fat, natives.100 lbs		7.00	7.00	9.25
Sheep, fat ewes......... " "		3.50	3.50	3.75
Short ribs, sides l'se.... " "		4.25	4.25	8.75
Bacon, N. Y., 140 down......lb		7	7	12½
Hams, N. Y., 18-20 lb......."	−¼	10	10¼	14
Tallow, N. Y., sp. loose....."	−⅛	2⅝	2½	3⅞
RICE, Dom. Long grain, Fancy.lb		4¾	4¾	6½
Blue Rose, choice.........."		3¼	3¼	3⅞
Foreign, Japan, fancy......."		3⅝	3⅝	3⅞
SPICES: Mace, Banda No. 1...lb		39	39	52
Cloves, Zanzibar............"		12½	12½	23
Nutmegs, 105s-110s........."		13	13	16
Ginger, Cochin............."		5¼	5¼	8½
Pepper, Lampong, black....."	−½	10	10½	12
" Singapore, white..."	−¾	11¼	12	19
" Mombasa, red......."		15	15	20
SUGAR: Cent. 96°.......100 lbs	−2	2.58	2.60	3.18
Fine gran., in bbls...... " "	−5	3.75	3.80	4.40
TEA: Formosa, standard......lb		11	11	14
Fine ...."		18	18	22
Japan, basket fired........."		10	10	15
Congou, standard..........."		9	9	12
VEGETABLES: Cabbage (nearby) bskt.		2.50	2.50	1.00
Onions (Jersey), Yel......bskt		3.70	3.70	60
Potatoes, L. I......180-lb. sack		2.20	2.20	3.75
Turnips, Can., Rutabaga....bag	+3	83	80	1.25

ADVANCES 13; DECLINES 15.

BUILDING MATERIALS

	Net Change	This Week	Last Week	Last Year
Brick, N. Y., delivered....1000		10.00	10.00	15.00
Portland Cement, N. Y., Trk. loads, delivered..........bbl		1.66	1.66	1.69
Chicago, carloads........ "		1.85	1.85	1.95
Philadelphia, carloads.... "		2.35	2.35	2.50
Lath, Eastern spruce.......100		4.25	4.25	3.65
Lime, hyd., masons, N. Y....ton		12.00	12.00	14.00
Shingles, Cyp., Pr. No. 1...1000		8.25	8.25	10.00
Red Cedar, Clear, rail..... "		3.00	3.00	3.51
LUMBER:				
White Pine, No. 1 Barn, 1x4" ....per M ft.		52.00	52.00	55.50
FAS Quartered Wh. Oak, 4/4" .... " " "		139.00	139.00	154.00
FAS Plain Wh. Oak, 4/4" .... " " "		110.00	110.00	115.00
FAS Plain Red Gum, 4/4" ....per M ft.		76.00	76.00	85.00
FAS Ash 4/4"........ " " "		71.00	71.00	82.00
FAS Poplar, 4/4", 7 to 17" .... " " "		80.00	80.00	105.00
Beech, No. 1 Common, 4/4" .... " " "		45.00	45.00	50.00
FAS Birch, Red 4/4".. " " "		80.00	80.00	105.00
FAS Cypress, 1"..... " " "		70.00	70.00	82.50
FAS Chestnut, 4/4"... " " "		65.00	65.00	75.00
No. 1 Com. Mahogany, (African), 4/4"...... " " "		140.00	140.00	154.00
FAS H, Maple, 4/4".. " " "		65.00	65.00	85.00
Canada Spruce, 2x4".. " " "		24.00	24.00	32.00
N. C. Pine, 4/4", Edge Under 12" No. 2 and Better .... " " "		36.00	36.00	44.50
Yellow Pine, 3x12".... " " "		41.00	41.00	58.00
FAS Basswood, 4/4"... " " "		63.00	63.00	76.00
Douglas Fir, Water Ship., c. i. f., N. Y., 2x4", 18 feet........ " " "		19.50	19.50	23.75
Cal. Redwood, 4/4", Clear .... " " "		54.00	54.00	71.00
North Carolina Pine Roofers, 13/16x6"... " " "		21.50	21.50	24.50
NAVAL STORES: Pitch......bbl		4.00	4.00	6.50
Rosin "B"................ "	+10	3.15	3.05	4.80
Tar, kiln burned.......... "		10.00	10.00	10.00
Turpentine, carlots........gal	+1½	44	42½	54¾
PAINTS: Litharge, com'l Am...lb		12	12	13¼
Red Lead, dry..........100 "	−5¼	6¾	12	13¼
White Lead in Paste........lb		12	12	13¼
" " dry............ "	−5½	6½	12	13¼
Zinc, American............ "		6½	6½	6½
" F. P. R. S............ "		9⅜	9⅜	9⅜

ADVANCES 2; DECLINES 2.

HIDES AND LEATHER

	Net Change	This Week	Last Week	Last Year
HIDES, Chicago:				
Packer, No. 1 native.........lb		4¼	4¼	8½
No. 1 Texas................ "	−¼	3¾	4	8½
Colorado .... "	+¼	3¾	3½	8
Cows, heavy native......... "		3¾	3¾	7½
Branded cows .... "	+½	4	3½	7½
No. 1 buff hides........... "	+⅛	3⅜	3¼	6½
No. 1 extremes............. "		4	4	8
No. 1 kip.................. "	−¼	3¼	3½	8
No. 1 calfskins............ "	−¼	3¼	3½	9½
Chicago city calfskins...... "		4¾	4¾	13
LEATHER:				
Union backs, t.r.............lb		28	28	30
Scoured oak-backs, No. 1.... "		30	30	35
No. 2 butt bends........... "	−2	40	42	52

ADVANCES 3; DECLINES 4.

TEXTILES

	Net Change	This Week	Last Week	Last Year
BURLAP, 10½-oz. 40-in.....yd		4⅝	4⅝	5¾
8-oz. 40-in................ "		3¼	3¼	4½
COTTON GOODS:				
Brown sheetings, stand.....yd		5¼	5¼	8
Wide sheetings, 10-4........ "		42	42	46
Bleached sheetings, stand... "		12	12	14½
Medium .... "		7⅞	7⅞	9¼
Brown sheetings, 4 yd...... "		4⅝	4⅝	6
Standard print............. "		6	6	7¼
Brown drills, standard...... "	−¼	5¼	5½	8¼
Staple ginghams............ "		6	6	8
Print cloths, 38½-in. 64x60.. "	−¼	3	3¼	5
Hose, belting, duck......... "		18½	18½	22¼
HEMP: Midway, Fair Current..lb		3¾	3¾	5¼
JUTE: first marks.......... "		2⅞	2⅞	3⅞
RAYON: Den. Fil.				
a 150 22-32..............		75	75	75
b 150 40		1.00	1.00	1.30
a Viscose Process. b Cellulose Acetate.				
SILK: Italian Ex. Clas. (Yel.) lb		1.75	1.75	2.65
Japan, Extra Crack......... "	+2	1.44	1.42	2.55
WOOL, Boston:				
Average, 25 quot...........lb	−.36	29.76	30.12	39.60
Ohio & Pa. Fleeces:				
Delaine Unwashed.......... "		18	18	25
Half-Blood Combing......... "		17	18	25
Half-Blood Clothing........ "		16	16	20
Common and Braid.......... "		14	15	16

WHOLESALE COMMODITY PRICES

list of wholesale commodity prices reached the highest point in the last ten weeks, while declines were the fewest in more than a month. Advances in the foodstuffs group were but slightly below the declines, offering one of the best exhibits in this division in nearly two months.

		Net Change	This Week	Last Week	Last Year
Mich., and N. Y. Fleeces:					
Delaine Unwashed	lb		15	16	23
Half-Blood Combing	"		16	16	23
Half-Blood Clothing	"		16	16	19
Wis., Mo., and N. E.:					
Half-Blood	"		14	14	20
Quarter-Blood	"		14	15	20
Southern Fleeces:					
Ordinary Mediums	"		14	14	18
Ky., W. Va., etc.; Three-eighths					
Blood Unwashed	"		19	19	24
Quarter-Blood Combing	"		18	18	23
Texas, Scoured Basis:					
Fine, 12 months	"		43	43	60
Fine, 8 months	"		37	37	55
California, Scoured Basis:					
Northern	"		40	40	52
Southern	"		38	38	50
Oregon, Scoured Basis:					
Fine & F. M. Staple	"		43	44	60
Valley No. 1	"		42	43	52
Territory, Scoured Basis:					
Fine Staple Choice	"		44	46	63
Half-Blood Combing	"		42	43	57
Fine Clothing	"		37	37	52
Pulled: Delaine	"		52	52	73
Fine Combing	"		48	48	55
Coarse Combing	"		35	35	40
California AA	"		52	52	65
WOOLEN GOODS:					
Standard Cheviot, 14-oz.	yd		....	1.07½	1.30
Serge, 11-oz	"		....	1.20	1.65
Serge, 15-oz	"		....	1.47½	1.85
Serge, 16-oz	"		....	1.80	2.28
ADVANCES 1; DECLINES 3					

DRUGS AND CHEMICALS

		Net Change	This Week	Last Week	Last Year
Acetanilid, U.S.P., bbls.	lb		36	36	36
Acid Acetic, 28 deg.	100 lbs		2.60	2.60	2.60
Carbolic, cans	" "		17	17	17
Citric, domestic	lb		37½	37½	37½
Muriatic, 18′	100 lbs		1.00	1.00	1.00
Nitric, 52′	" "		6.50	6.50	6.50
Oxalic, spot	lb		10¼	10¼	10¾
Sulphuric, 60′	100 lbs		55	55	55
Tartaric crystals	lb		24	24	31½
Fluor Spar, acid, 98%	ton		38.50	38.50	38.50
Alcohol, 190 proof U.S.P.	gal		2.37	2.37	2.37
" wood 95%	"		44	44	44
" denatured, form 5	"		31⅜	31⅜	22
Alum, lump	lb		2.25	2.25	3.25
Ammonia, anhydrous	"		15½	15½	15½
Arsenic, white	"		4	4	4
Balsam, Copaiba, S. A.	"		18	18	20
Fir, Canada	gal		10.00	10.00	10.00
Peru	"		95	95	1.50
Bicarbonate Soda, Am.	100 lbs		2.54	2.54	2.64
Bleaching powder, over 34%	" "		2.00	2.00	2.00
Borax, crystal, in bbl.	"		2½	2½	2½
Brimstone, crude domestic	ton		18.00	18.00	18.00
Calomel, American	lb	−8	1.43	1.51	1.82
Camphor, slabs	"		43	43	53
Castile Soap, white	case		15.00	15.00	15.00
Castor Oil No. 1	lb		10	10	10½
Caustic Soda, 76%	100 lbs		2.25	2.25	2.25
Chlorate potash	lb		8	8	8
Chloroform, U.S.P.	"		25	25	25
Cocaine, Hydrochloride	oz		8.50	8.50	8.50
Cream Tartar, domestic	lb		19¼	19¼	23¾
Epsom Salts	100 lbs		2.25	2.25	2.25
Formaldehyde	lb		6	6	6
Glycerine, C. P. in drums	"		10¼	10¼	12½
Gum-Arabic, Amber	"	—½	6	6½	9¾
Benzoin, Sumatra	"		21	21	29
Gamboge, pipe	"		75	75	75
Shellac, D. C.	"		38	38	38
Tragacanth, Aleppo 1st	"		93	93	1.35
Licorice Extract	"		18	18	18
Powdered	"		33	33	33
Menthol, Japan, cases	"		3.35	3.35	3.75
Morphine, Sulp., bulk	oz		7.95	7.95	7.95
Nitrate Silver, crystals	"	—¼	21¾	22	22⅝
Nux Vomica, powdered	lb		7¾	7¾	8
Opium, jobbing lots	"		12.00	12.00	12.00
Quicksilver, 75-lb. flask		+1.00	69.00	68.00	103.00
Quinine, 100-oz. tins	oz		40	40	40
Rochelle Salts	lb		15	15	19
Sal ammoniac, lump, imp.	"		10¼	10¼	10¼
Sal soda, American	100 lbs		90	90	90
Saltpetre, crystals	" "		7¼	7¼	7¼
Sarsaparilla, Honduras	lb		42	42	45
Soda ash, 58% light	100 lbs		1.05	1.05	1.00
Soda benzoate	lb		40	40	40
ADVANCES 1; DECLINES 3					

METALS

		Net Change	This Week	Last Week	Last Year
Pig Iron: No. 2X, Ph.	ton	—75	14.84	15.59	17.26
No. 2 valley furnace	"		15.00	15.00	17.00
Bessemer, Pittsburgh	"		17.39	17.39	18.76
No. 2 South Cincinnati	"		13.82	13.82	14.69
Billets, rerolling, Pittsburgh	"		27.00	27.00	30.00
Forging, Pittsburgh	"		33.00	33.00	36.00
Wire rods, Pittsburgh	"		37.00	37.00	35.00
O-h rails, hy., at mill	"		43.00	43.00	43.00
Iron bars, Chicago	100 lbs		1.70	1.70	1.70
Steel bars, Pittsburgh	" "		1.60	1.60	1.65
Tank plates, Pittsburgh	" "		1.60	1.60	1.65
Shapes, Pittsburgh	" "		1.60	1.60	1.65
Sheets, black No. 24, Pittsburgh	" "		2.20	2.20	2.15
Wire Nails, Pittsburgh	" "		1.95	1.95	1.90
Barb Wire, galvanized, Pittsburgh	" "		2.60	2.60	2.55
Galv. Sheets No. 24, Pittsburgh	" "		2.85	2.85	2.80
Coke, Connellsville, oven	ton				
Furnace, prompt ship	"		2.25	2.25	2.50
Foundry, prompt ship	"		3.50	3.50	3.50
Aluminum, pig (ton lots)	lb		22⅞	22⅞	22⅞
Antimony, ordinary	"	—⅛	5⅛	5¼	6½
Copper, Electrolytic	"	—⅛	5⅝	5¾	9
Zinc, N. Y.	"		2⅞	2⅞	3⅝
Lead, N. Y.	"		3	3	3⅝
Tin, N. Y.	"	+1⅛	21⅛	20	23⅜
Tinplate, Pittsburgh, 100-lb box			4.75	4.75	5.00
ADVANCES 1; DECLINES 3					

MISCELLANEOUS

		Net Change	This Week	Last Week	Last Year
COAL: f.o.b. Mines	ton				
Bituminous:					
Navy Standard	"		1.75	1.75	2.15
High Volatile, Steam	"		1.25	1.25	1.25
Anthracite, Company:					
Stove	"		6.65	6.65	6.45
Egg	"		6.40	6.40	6.25
Nut	"		6.40	6.40	6.45
Pea	"		4.85	4.85	4.45
DYESTUFFS—Bi-chromate					
Potash, am.	lb		8	8	8½
Cochineal, silver	"		46	46	52
Cutch, Rangoon	"		9½	9½	10½
Gambier, Plantation	"		8½	8½	7¾
Indigo, Madras	"		1.25	1.25	1.25
Prussiate potash, yellow	"		18½	18½	18½
FERTILIZERS:					
Bones, ground steamed, 1¼, am., 60% bone phosphate, Chicago	ton		25.00	25.00	25.00
Muriate potash, 80%	"		37.15	37.15	37.15
Nitrate soda	100 lbs		1.77	1.77	2.05
Sulphate ammonia, domestic, delivered	" "		1.30	1.30	1.75
Sulphate potash, bs. 90%	ton		48.25	48.25	48.25
OILS: Cocoanut, Spot, N.Y.	lb	—⅛	3⅜	3½	4⅝
China Wood, bbls., spot	"		5	5	6½
Cod, Newfoundland	gal		21	21	48
Corn, crude, Mill	lb	—⅛	2¾	2⅞	6
Cottonseed, spot	"	—¼	3	3¼	7¼
Lard, Extra, Winter st.	"		7	7	9¾
Linseed, city raw, carlots	"	—⅜	6⅛	6½	8⅞
Neatsfoot, pure	"		8¾	8¾	11¼
Rosin, first run	gal		43	43	54
Soya-Bean, tank, cars, M. W.	lb		2¾	2¾	6
Petroleum, Pa., cr., at well	bbl		1.79⅞	1.79⅞	1.25
Kerosene, wagon, delivery	gal		17	17	17
Gas'e auto in gar., st. bbls.	"		14½	14½	13⅝
Wax, ref. 125 m. p.	lb		3	3	3⅝
PAPER: Newsroll Contract			53.00	53.00	59.00
Book, S. & S. C.	lb		5¼	5¼	5½
Writing, tub-sized	"		4½	4½	10
No. 1 Kraft	"		4¾	4¾	4
Sulphite, Domestic, bl.	100 lbs		2.00	2.00	2.40
Old Paper No. 1 Mix	" "		20	20	15
PLATINUM:	oz		37.50	37.50	30.00
RUBBER: Up-River, fine	lb	+⅛	5⅝	5½	8¼
Plan, 1st Latex, crude	"	+1¼	5¼	4	6½
ADVANCES 2; DECLINES 4.					

	This Week	Last Week	Last Year
TOTAL ADVANCES	23	14	28
TOTAL DECLINES	34	37	28

NATIONAL MONEY AND CREDIT CONDITIONS

MONEY MARKETS

ATLANTA Local demand for money is limited, and banks continue a conservative policy in making loans. Interest rates remain steady.

BOSTON Reserves of the Federal Reserve Bank of Boston increased about $17,000,000 this week, while the circulation increased about $10,000,000, and deposits about $4,000,000. The reserve ratio increased from 72.8 to 74.4 per cent. The market continues slow, with the quick call rate at 3½ per cent, time money 3¾ to 5 per cent, and commercial paper 3 to 3¾ per cent.

CHICAGO The local money market continues about steady, with commercial paper 3¼ to 4 per cent, over-the-counter loans 4½ to 5 per cent, and brokers' loans on collateral 4½ per cent. Customers' collateral loans ranged from 4½ to 5 per cent.

CINCINNATI Money continues firm and loans are made cautiously. Banks are inclined to conserve surplus funds. Demand from commercial sources has been moderate, and commitments to brokers practically nil. Rates range from 5½ to 6 per cent.

CLEVELAND The money market is quiet, with loans below volume in number. Rates of interest are holding fairly level at quotations existing for several weeks. The Federal Reserve Bank report for last week indicated nearly a 25 per cent gain in debits to individual accounts over those of the previous week.

DALLAS Bank clearings reveal a slight increase, but demand for loans still is moderate. Rates continue unchanged.

KANSAS CITY Leading city banks report deposits a little stronger the past week. General demand for money for industrial and business purposes continues light. Weekly Federal Reserve Bank statement showed no particular changes over that of the previous week in the principal items.

PHILADELPHIA Banks report conditions virtually unchanged from a week ago. Borrowing continues irregular and money comparatively cheap. Savings banks report an increase in both the number of accounts and the size of deposits. The renewal rate for call money holds at 4 per cent and commercial loans 4½ to 6 per cent.

ST. LOUIS Local banks report an increase in deposits during the past week, with demand for money light. Rates quoted on prime commercial paper are 4½ to 6 per cent. Collateral loans are 4¾ to 6 per cent; loans on warehouse receipts, 4½ to 6 per cent; and cattle loans, 5 to 6 per cent.

COLLECTION CONDITIONS

ATLANTA Collections show no improvement, the slowness of last week continuing.

BOSTON There has been a slight improvement in collections during the last two weeks.

BALTIMORE Collections generally are satisfactory, being classed as either fair or good. Slowness is chiefly in agricultural districts.

BUFFALO Installment collections are fair, but in other branches slowness continues.

CHICAGO Several lines report an improvement, usually the result of considerable pressure.

CINCINNATI In several lines collections have improved slightly, but this is not general.

CLEVELAND Mercantile collections continue irregular, the majority leaning toward slowness.

DALLAS Retail collections are slightly better, and current wholesale payments satisfactory.

DENVER The general collection status shows a slight improvement over that of last week.

DETROIT There is an improving trend noted in collections, despite the general slowness.

LOUISVILLE Collections have been remarkably good all Spring, and practically all of the railroad accounts have been liquidated, following the recent government loans.

NEWARK Although collections are somewhat better than they were at this period last year, the general average is not better than slow.

PITTSBURGH Collections are slow in improving, the general average continuing slow.

ROCHESTER Collections in farm districts continue slow; urban payments are prompter.

ST. LOUIS The average return from accounts sold in the rural districts has improved slightly, due principally to improved banking facilities. The general average, however, is below that for the same period last year.

TOLEDO Some branches of the retail trade report payments prompter than they were last week.

TWIN CITIES (Minneapolis-St. Paul) Retail collections continue to show a slight betterment, but wholesale accounts are classed as slow.

WICHITA Installment collections have been fair, but in other lines slowness continues.

INTERNATIONAL MONEY MARKETS

Bank of England furthers easy money program by reducing rate. Irish rate also lowered. Federal Reserve continues purchases of government securities; domestic rates lower. Bill rates decline 1/4 of 1 per cent. Gold outflow continues but slows perceptibly. Sterling moves narrowly; other exchanges firm.

In the national and international money markets alike, rates for funds continued to decline this week, and any influences for economic improvement that can possibly be exerted through low costs of borrowing are certainly in evidence. There were a few disturbing factors, such as a continued fairly heavy outflow of gold to Europe.

Rates for funds were lowered this week in important sections of the market. To a large degree this is due to the open market purchases of United States Government securities by the Federal Reserve banks. Such acquisitions, started a month ago at the rate of $100,000,000 weekly, continue with undiminished vigor, and a huge total of reserve credit is being placed in the market by this means. Money circulation also begins to reflect the tendency, the Treasury figures for April showing a gain of $5,000,000 in circulation, although the normal trend during the month is on the contrary direction.

RATES LOWER

There were indications in Great Britain, this week, that the Bank of England may pursue a parallel course of making credit abundant and borrowing cheap. That great pressure exists toward this end was illustrated by speeches of several leaders of government, finance and industry. Since the Bank of England discount rate is the effective instrument by which this policy would be carried out, it may be unusually significant that the discount charge of the British central bank was lowered from 3 to 2½ per cent Thursday. The Irish Bank rate was lowered at the same time from 4 to 3½ per cent.

Indicative of the course of rates here was an all-round reduction in bankers' bill yield rates Wednesday, by ¼ of 1 per cent. This movement counteracted a similar advance last week, which was recognized at the time as little more than a market phenomenon. The rates re-established by dealers correspond to the lowest figures ever quoted in the history of the American acceptance market. The charges are 1 per cent bid and ⅞ asked for bills due up to ninety days, 1⅛ per cent bid and 1 per cent asked for four months' maturities, and 1⅜ per cent bid and 1¼ asked for five and six months' datings.

The cost of short term Treasury borrowing also remains unusually low, due to the combination of factors. The Stock Exchange money market likewise remains easy, the rate for call loans holding at 2½ per cent for all transactions, whether renewals or new loans. The commercial paper market remains quiet and easy.

Gold continued to move toward Europe by most available vessels, but at a slower pace than formerly. Some fairly heavy shipments were arranged this week, and a net loss of $13,000,000 occurred Wednesday. Switzerland, France, Holland and Belgium secured the greater part of the metal, and a small shipment also was made to Germany. The movement of metal to Europe was due chiefly to a maintenance of foreign rates of exchange at or close to the upper gold points. French and Swiss francs, belgas, and Dutch guilders continue to show marked strength and as gold shipments are profitable on a bank basis large shipments of the metal are a natural result.

SLOWER PACE IN GOLD SHIPMENTS

Sterling exchange was clearly subject to control of the Bank of England and the British Treasury, under the authority for stabilization recently granted by the House of Commons. The pound sterling fluctuated within a narrow limit, close to $3.67, and further extensive movements are not expected for some time to come. German marks were firm, and Italian lire also show firmness.

Daily closing quotations of foreign exchange (bankers' bills) in the New York market follow:

	Thurs. May 5	Fri. May 6	Sat. May 7	Mon. May 9	Tues. May 10	Wed. May 11
Sterling, checks...	3.67¼	3.67⅛	3.67½	3.68½	3.67⅝	3.67 1/16
Sterling, cables....	3.67⅜	3.67¼	3.67⅝	3.68⅝	3.67¾	3.67¾
Paris, checks......	3.94 1/16	3.94 1/16	3.94 3/16	3.94½	3.94 7/16	3.94 3/16
Paris, cables......	3.94 11/16	3.94 11/16	3.94 13/16	3.94⅝	3.94 11/16	3.94 13/16
Berlin, checks.....	23.79	23.80	23.80	23.85	23.85	23.85
Berlin, cables....	23.81	23.82	23.82	23.87	23.87	23.90
Antwerp, checks...	14.04	14.04½	14.04⅛	14.05	14.04¾	14.04
Antwerp, cables...	14.04½	14.05	14.05	14.05½	14.05¼	14.06
Lire, checks......	5.16	5.16	5.15½	5.15⅝	5.15¾	5.14¾
Lire, cables......	5.16¼	5.16¼	5.15¾	5.15⅞	5.16	5.15¾
Swiss, checks.....	19.56½	19.56	19.56½	19.57¾	19.56¼	19.56
Swiss, cables.....	19.57	19.56½	19.57	19.58¼	19.56¾	19.57
Guilders, checks...	40.59	40.56	40.53	40.53	40.53	40.51½
Guilders, cables...	40.60	40.57	40.54	40.54	40.54	40.54
Pesetas, checks....	7.93½	7.94½	7.96	7.98½	8.01½	8.06
Pesetas, cables....	7.94½	7.95½	7.97	7.99½	8.02½	8.07
Denmark, checks...	20.09	20.14	20.04	20.14	20.14	20.05
Denmark, cables...	20.10	20.15	20.05	20.15	20.15	20.10
Sweden, checks....	18.49	18.72	18.84	18.95	19.03	18.60
Sweden, cables....	18.50	18.73	18.85	18.96	19.04	18.65
Norway, checks....	18.65	18.72	18.74	18.79	18.75	18.60
Norway, cables....	18.66	18.73	18.75	18.80	18.76	18.65
Greece, checks....	.69	.63¾	.63¾	.66	.66	.75
Greece, cables.....	.69¼	.64	.64	.66¼	.66¼	.75
Portugal, checks...	3.38	3.38	3.38	3.38	3.38	3.38
Portugal, cables...	3.40	3.40	3.40	3.40	3.40	3.40
Australia, checks..	2.93½	2.93½	2.93⅞	2.94	2.93¾	....
Australia, cables..	2.93¾	2.93¾	2.94¼	2.94⅝	2.94⅝	....
Montreal, demand..	89.68	89.44	89.25	89.25	89.00	88.68
Argentina, demand.	25.20	25.20	25.20	25.20	25.20	25.20
Brazil, demand....	6.95	6.95	7.10	7.10	7.10	6.95
Chile, demand.....	6.12	6.10	6.12	6.10	6.10	6.07
Uruguay, demand..	48.00	48.00	48.00	48.00	47.75	47.25

WHEAT MOVES UPWARD

by H. G. SEELY

Grain prices broke out of an early and very narrow trading range Wednesday on the Chicago Board of Trade, but profit-taking slowed the advance somewhat. The price changes in all grains on Monday and Tuesday were limited to minor fractions, and transactions were chiefly in the nature of evening up operations. Wheat, after seesawing early, turned in a mid-week advance of ⅝c. to ⅞c.

Strength in wheat was helped along by the reports of new Russian purchases of Canadian wheat and adverse reports from the Soviets themselves. Elsewhere foreign crop conditions were reported good, although late, and France reduced the import quota from 45 to 40 per cent.

The government report released after the Tuesday close estimated the Winter wheat crop at 440,781,000 bushels, based on conditions as of May 1. This estimate is a decrease of nearly 347,000,000 bushels from the 787,465,000 produced last year, and is 18,000,000 bushels below the crop estimated for this year, as of April 1.

Compared with the average Winter wheat production for the five years 1924-1928, this forecast shows a reduction of 108,000,000 bushels. The biggest indicated losses were in the hard wheat States of Kansas, Nebraska, Oklahoma and Texas.

Corn's share of the Wednesday rally was limited to an advance of ½c. to ⅝c. After the earlier trading had left, the price level changed little. Speculative interest was slow, and crop developments were rather featureless, aside from the week-end rains in the "Belt." Oats were firmer than the other coarse grains, closing irregular on Monday and then working fractionally higher. Rye was helped along by the government's report, showing a 7,000,000-bushel decline from last year, and closing ¾c. to 1c. higher Wednesday.

The United States visible supply of grains, in bushels, was: Wheat, 174,902,000, off 2,779,000; corn, 21,897,000, up 479,000; oats, 11,861,000, off 852,000; rye, 9,324,000, up 49,000; barley, 2,339,444, off 152,000.

Daily closing quotations of grain options in the Chicago market follow:

	Thurs. May 5	Fri. May 6	Sat. May 7	Mon. May 9	Tues. May 10	Wed. May 11
WHEAT:						
May	53⅝	55⅛	54½	54¼	54⅝	55½
July	56⅛	57¼	56⅝	56⅞	57	57⅝
September	58⅛	59⅝	59⅛	59¼	59⅛	60
CORN:						
May	29	30	29¼	29¼	29¼	29⅞
July	32	33	32½	32⅜	32½	33
September	34½	35¼	34⅝	34⅝	34⅞	35⅝
OATS:						
May	22⅝	23½	23⅛	23⅛	23¼	23⅝
July	22⅝	23	22⅝	22⅝	22⅞	23⅛
September	22⅝	23	22⅝	22⅝	22⅞	23⅛
RYE:						
May	35⅞	38⅝	38	37⅞	38½	39¼
July	38¾	40⅛	40	40⅛	40¾	41⅝
September	40⅞	42⅞	42¼	42⅝	42½	43¼

The grain movement each day is given in the following table, with the week's total, and comparative figures for last year:

	Wheat Western Receipts	Wheat Atlantic Exports	Flour, Atlantic Exports	Corn Western Receipts
Wednesday	375,000	254,000	2,000	800,000
Thursday	398,000	144,000	3,000	510,000
Friday	720,000	32,000	4,000	520,000
Saturday	759,000	481,000	.....	445,000
Monday	996,000	558,000	2,000	428,000
Tuesday	1,117,000	248,000	3,000	265,000
Total	4,365,000	1,717,000	14,000	2,968,000
Last Year	5,273,000	2,162,000	56,000	2,378,000

COTTON WEEK IN PROGRESS

by C. S. WOOLSLEY

Primary textile markets hampered by continued unseasonable weather. Converters still carrying substantial stocks of Spring and Summer merchandise. Initial showings of wool goods for Fall deferred. Level of values in print cloths the lowest in thirty years. All divisions curtail further production schedules

The volume of dry goods business in primary markets has continued abnormally low and much less than the usual advance business for Fall is being placed. Retailers' representatives state that trade has been only fair with them and they have received no encouragement to buy ahead. Weather conditions have been adverse in several sections of the country and the trade is waiting anxiously for a week or two of sustained high Spring temperatures.

Converters and others carrying merchandise styled for the Spring and Summer season find it very difficult to sell at a profit and, in a number of instances, they are being forced to reduce their inventories of styled fabrics to satisfy credit conditions. Production still is running down very noticeably and in some divisions of cotton goods it is two-thirds less than it was a little over a year ago. In the print cloth division, efforts still are being made to hold the production down to 50 per cent of capacity, while in the fine goods division, mills are operating not more than an average of from 35 to 40 per cent capacity.

PRINT CLOTHS PRICES LOWER

In the wool goods division, the Spring and Summer spot demand has slackened, and Fall business has been light. The industry is reported to be operating under 40 per cent average capacity, with little prospect of broad improvement until the Fall business begins to come in more liberally. In the silk trade, spot business is light and Fall trade is developing slowly. Rayon production has been running down steadily, and it now is expected to be continued on low levels throughout the early Summer.

Standard print cloths were sold last week on a basis of 3c. for 38½-inch 64x60's and reacted ⅛c. upward, but without any substantial sales at the slightly increased price. This level of values was the lowest touched in more than thirty years and represents a loss of from 3c. to 4c. a pound based upon replacement costs.

Further shrinkages in prices were reported on many lines of convertibles and on finished goods, more particularly on wash fabrics especially styled for the Spring and Summer season. Extended discounts have been granted to force sales of some sheets and pillowcases; bleached cottons are lower. Colored goods have been sold at off-prices without open changes of base quotations. All silk and silk and rayon goods for Spring and Summer still are being sold in moderate quantities, with the competition for business so hard that profits are close, when obtainable at all. Some silk manufacturers are convinced that Fall business will be better because of the attractive prices they will be able to name on wanted lines, due to the great reductions in their costs of production since a year ago.

National Cotton Week will be observed from May 16 to May 21 and preparations of an extensive character have been made by the Cotton Textile Institute, in co-operation with leading retailers and distributors. The styles of goods offered for general Summer and sports' wear of all-cotton are more varied than for many years, and it is believed that the extensive promotion that has been under way will result in cleaning out stocks of many novelties before the season ends.

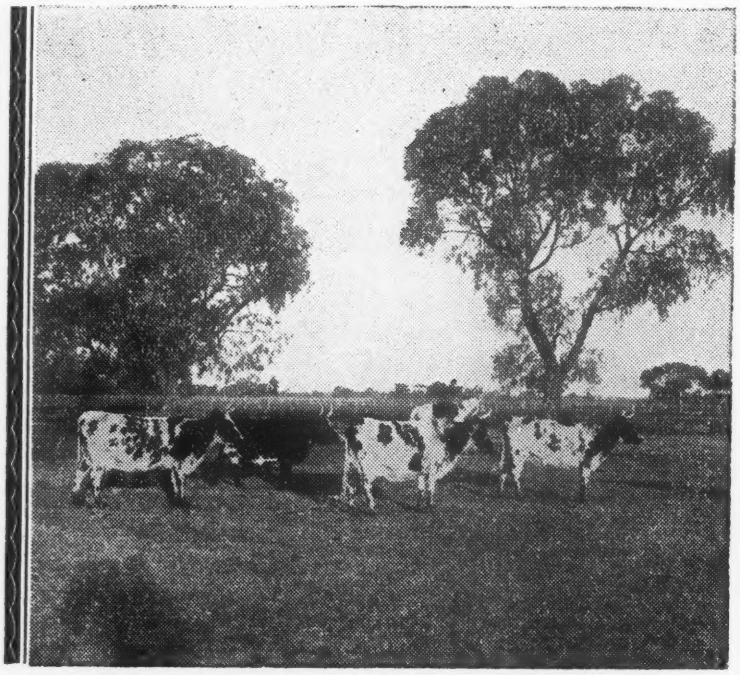
EXTENSIVE PLANS FOR COTTON WEEK

The cotton industry has been cutting down production sharply in the past five weeks. If present plans are matured, it seems probable that the output in yardage for the next two months will be reduced at least 40 per cent below capacity output. The extensive curtailment of production has been widely known, but it has not been effective in stemming the price declines in print cloths.

The course of prices in the cotton option market at New York and spot prices for each day this week at leading cotton centers are given in the following table:

	Thurs. May 5	Fri. May 6	Sat. May 7	Mon. May 9	Tues. May 10	Wed. May 11
May	5.56	5.73	5.74	5.54	5.53	5.58
July	5.68	5.84	5.84	5.65	5.63	5.67
October	5.91	6.07	6.07	5.90	5.87	5.92
December	6.05	6.21	6.22	6.04	6.02	6.07
January	6.14	6.30	6.31	6.13	6.10	6.14

	Wed. May 4	Thurs. May 5	Fri. May 6	Sat. May 7	Mon. May 9	Tues. May 10
New Orleans, cents	5.63	5.68	5.85	5.81	5.72	5.68
New York, cents	5.65	5.70	5.90	5.90	5.70	5.70
Savannah, cents	5.58	5.68	5.84	5.84	5.65	5.63
Galveston, cents	5.65	5.70	5.85	5.85	5.65	5.65
Memphis, cents	5.05	5.10	5.25	5.25	5.05	5.05
Norfolk, cents	5.65	5.70	5.85	5.85	5.65	5.65
Augusta, cents	5.63	5.63	5.81	5.81	5.56	5.44
Houston, cents	5.60	5.65	5.80	5.80	5.60	5.60
Little Rock, cents	4.93	4.98	5.19	5.19	5.00	4.98
St. Louis, cents	5.10	5.00	5.06	5.15	5.15	5.00
Dallas, cents	5.15	5.20	5.40	5.40	5.25	5.25



DAIRY INDUSTRY WELL STABILIZED

by RAYMOND BRENNAN

Uniform demand for its products throughout the year and the universal consumptive needs make the dairy industry immune to any general business recession. Price structure weak in all branches. Complete mechanization has contributed to stability of the industry. Failure record unusually high in 1931.

The milk-mail was one of the last to bow in eulogistic resignation to the advance of the times and the irresistible march of progress. The efficiency and reliability of the machine have been too much even for her highly-skilled but, at times, uncertain hands. That picturesque character of so many dramas, the subject of innumerable poems, the heroine of many a romantic tale no longer is carried off by the prince in disguise, or gets a proposal of marriage from the squire's son, as she cries over spilled milk at the turnstile.

Instead, she presses the button which sets the milking-machine in operation, while the prince figures out the homogenizer and the squire's son looks after the battery of cream ripener-pasteurizers. after he has finished adjusting the butter-printing and wrapping machines. For, from cow to consumer, the human hand now has naught to do but turn the switch. Machinery does the rest.

It is this mechanization that has contributed much of the success to the dairy industry, and contributed no small part to its relative stability. The past two years have proven that it is immune, to an extent, to any general business dullness, due to the universal consumption of the product, its constant necessity and the almost uniform demand for it throughout the year. Specializing in probably the most important articles of food, which are necessities of life, the industry's volume is influenced more by population changes or shifts than by any other single factor. It has, nevertheless, been affected by general conditions, changes in the methods of marketing products, new trends in retail distribution, which have resulted from the activity of large dairy combines.

Its magnitude places it in one of the most important divisions of the American agricultural industry, as about one-fourth, or $3,000,000,000, of the total annual income received by American farmers for all products is derived from the sale of dairy products. This represents about two and a half times the annual value of the cotton crop, two and a half times the value of the beef and veal marketed, more than three times the value of the wheat harvested, and exceeds the total wholesale value of motor vehicles produced annually in the United States and Canada.

To provide this vast national wealth, there were 22,975,000 milk cows on American farms in 1931. The average annual production per cow is between 4,500 and 5,000 pounds, i.e., between 562 and 625 gallons.

While the industry is of major importance to every State, the chief dairying centers are Wisconsin, Minnesota, Iowa, Nebraska, Ohio, Indiana, Illinois, Michigan, the Dakotas and Kansas. Minnesota, Iowa and Wisconsin account for about 40 per cent of all the butter manufactured in the United States, while Wisconsin alone produces 65 per cent of the cheddar cheese made in this country. Washington, Oregon and California comprise the second largest dairy section of the country. Of the individual States, Wisconsin leads the milk and dairy products industry in value of products with an annual output of nearly $210,000,000. Minnesota is second with $80,000,000; California third, with $60,000,000; New York fourth, with $58,000,000; Ohio fifth, with $54,000,000 and Michigan sixth with $50,000,000. One of the most important developments in recent years has been the growth of dairying in the South.

CENTRAL STATES CHIEF PRODUCER

From 24,000,000 pounds in 1918, the production of butter in the Southern States increased to more than 100,000,000 pounds last year. The 18 Southern States which in 1914 had no cheese factories at all produced more than 6,500,000 pounds of cheese last year. In the last ten years, the production of condensed and evaporated milk in these States increased from 4,500,000 pounds to approximately 83,000,000 pounds.

Dairy farms, as a class, are among the most fertile of all farms, because the dairy cow returns to the soil about 70 per cent of the nitrogen, and nearly 90 per cent of the mineral matter contained in the feed she consumes. The dairy cow holds an important place in soil improvement, even though manufacturers of commercial fertilizers are looking forward to making a million tons of pasture fertilizers by 1940.

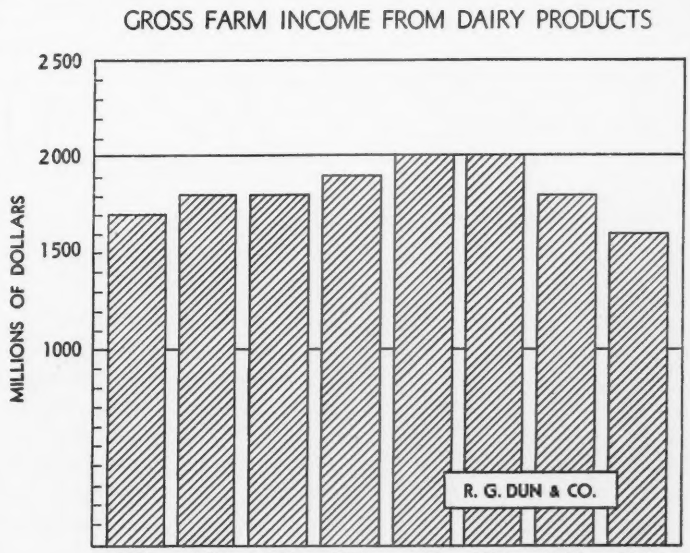
The average dairy farmer sells his milk to a rural branch cooling station, which is owned and operated by dairy companies, co-operative associations or ice cream manufacturers of nearby cities. Sometimes the farmers deliver their milk by truck, but usually it is picked up at the gate by the trucks of the creamery that operate on regular schedules. Throughout the entire system of milk marketing motor trucks figure prominently.

For, after the milk is brought down to the proper temperature at the cooling stations, it is taken by motor-truck into the city dairies and milk products manufacturers. When the average person pours the milk into his coffee at the breakfast table, he does not realize that it probably has travelled hundreds of miles in glass-lined or chrome-steel vacuum tanks, which have enabled formerly isolated dairy communities to send their products to urban centers to which at one time they were denied access. Western Ohio farms sell milk to Chicago and Detroit markets. New York receives milk from Pennsylvania, New Jersey and half a dozen other States. Two hundred miles or more is a common hauling distance.

These large tank trucks, which are owned by creamery companies and dairymen's co-operative associations, contain 2,000 gallons or more. Often they pull one or two trailers of equal size. The glass lining acts as a giant thermos bottle, and makes it possible to transport milk to market without changing the temperature 5 degrees. The firm which was responsible for the introduction of the tank-car and truck-tanks has made one of the outstanding advances in dairy practice. Perhaps no single piece of equipment has accomplished so much in eliminating overhead, dispensing with the excessive amount of cans, the investment necessary to transport and service these, and in speeding up production.

MILK MARKETED BY CREAMERIES

There are now approximately 3,785 major dealers with well-organized branches and delivery systems, through whom are distributed each year 8,305,000,000 gallons of milk, 1,500,000,000 pounds of butter, 1,360,000,000 pounds of evaporated milk and 475,000,000 pounds of cheese. About half of the 120,000,000,000 pounds of whole milk produced yearly is sold in the form of fluid milk and cream. The balance is used in the manufacture of butter, cheese, condensed, evaporated and powdered milk, casein and ice cream. Nearly 20 per cent of the consumer's food dollar goes for milk and milk products. While this rate of distribution was fairly well maintained during the current year, value of products sold dropped from 5 to 15 per cent.



After resisting successfully the downward trend of nearly all commodities, prices of dairy products in some farming districts have been reduced now to the lowest level in nearly twenty-five years. Larger consumptive demand is strengthening current quotations.

Two important factors are receiving attention by the dairy industry today in an effort to regulate the relation of supply to demand. The first is a more efficient and economical production. This is the task of the farmer. The second is increased consumption by means of advertising and education. This is being accomplished by a series of consolidations and mergers. As a result, hundreds of small, and often inadequately financed, dairy companies have been united in large commercial units with the necessary financial support, research facilities and co-ordinated organizations to ensure stable and efficient operation.

The largest milk distributing company in New York City supplies over 750,000 customers with some 630,000,000 quarts of milk annually. The pay roll for the 9,000 men required to perform this service amounts to more than $20,000,000 each year. Approximately 25,000,000 bottles costing $1,000,000 are purchased every twelve months for replacements. These figures relate to but one subsidiary company operation in metropolitan New York.

One of the most revolutionizing changes in the dairy industry is the nation-wide scope that some of the dairy companies have attained. They have been extended into gigantic combines, and handle all products both as manufacturers and retailers. Metropolitan dairies, creameries, ice cream plants and cheese plants have been purchased. By linking these units they have consolidated a vast market for their products and by more distribution are aiming at operating economies, greater efficiency and improved quality. One of the companies now has 125 subsidiaries, and total sales of two of the largest dairy combines last year ran to nearly $400,000,000.

The 4,200 creameries which produced last year around 1,600,000,000 pounds of butter, have invested nearly 7c. in equipment for every pound of butter manufactured. The total investment is around $112,000,000. Although consumption of butter increased during the past year, replacing some of the substitutes, due largely to the lower price, some of the manufacturers have had a rather difficult time showing a profit during the last two years.

MILK PRODUCTS NOW IMPORTANT

There always is an excess of production of butter in the months of May and June, which necessarily must go into storage. This year, only the large companies are in a position to finance the excess production. "Country" butter has almost disappeared from the market under the competition of creamery brands.

Despite widespread advertising campaigns, it has been difficult to increase the consumption of cheese in the United States, and production during the last few years has remained fairly close to 480,000,000 pounds annually. This represents the output of 2,600 creameries.

Condensed and evaporated milk producers take 3.5 pounds of every 100 pounds of milk produced. The little-known dry milk industry, which really is the infant of the milk products group, started to find itself a market last year with the result that production gained 4 per cent and sales 18.7 per cent during the year ended March 31, 1932.

There are nearly 3,500 plants in the United States devoted to the manufacture of ice cream. In addition, 600 distributing stations are maintained. The annual output of 253,000,000 gallons has a value of $325,350,000. Pennsylvania is the leading State in ice cream production, with 13.9 per cent of the total. New York is second, with Illinois, California, Ohio and Michigan following in the order named. These six States account for 36.3 per cent of the total production. Manufacturers take advantage of favorable times to buy and hold the frozen ice cream in storage awaiting the best-selling period.

Although food products, as a whole, are at the lowest level to which they have gravitated in years, dairy products have resisted quite successfully this general downward trend and only recently have they given any evidence of a weakening tendency. Within the last month or two, prices of standard milk have dropped from 1c. to 5c. a quart at retail, and even more in some districts that are near producing centers. This is the second reduction in little more than a year. Prior to the previous downward revision, prices had been well stabilized for nearly five years. Buttermilk and the various grades of cream also are cheaper.

PRICE STRUCTURE WEAK THROUGHOUT

Quotations on fresh butter have been consistently lower during the last six months, but now are revealing a slightly firmer tendency, as the result of a broader demand. Storage standard butter, which has supplanted many of the butter substitutes, set a new low price record during the year. There appears to be little speculation in this product, the wholesaler not caring to take a chance on any further reductions. Indications now are that there may be an advance rather than a decline.

Cheese prices have continued at an unusually low level during the last fifteen months. This is causing the cheese factories considerable trouble in meeting prices paid for butter fat, in order to keep their volume of milk coming into their plants. Production of cheese is at a low level, and cheese plants are not in demand.

A general contraction of sales was evident in ice cream during the first four months of the current year and sharp declines occurred in the price structure. The continued weakness, under pressure of competitive conditions, resulted in a reduction of nearly 25 per cent in ice cream sales, compared with the total during the same period in 1931. Prices of ice cream at present are approximately 10 per cent lower than they were last year. There is a feeling prevailing among many of the ice cream manufacturers that a price reduction would stimulate consumption. Many are verging on such a price re-

duction to a point where the dealer can show a corresponding reduction to the ice cream consumer. Improved methods of distributing package goods are expected to increase demand during the Summer months.

Collections in the dairy industry have been better than in most lines, following the well-established rule of holding this trade to short terms. Besides, the retailer is more guarded in extending credit than in former years, and there are more cash customers now than there were a year ago. As collections usually are made closely and bills are not allowed to overlap, the losses from bad debts are comparatively light. Most of the concerns identified with the dairy industry have continued the payment of dividends during the past two subnormal years. The production and distribution of milk and dairy products is being concentrated gradually in a very few hands. Although there still are some independent distributors, these are of minor importance, as the bulk of the trade is controlled by a few large combinations with which the independent dealers find it difficult to compete successfully.

FAILURE RECORD HIGH LAST YEAR

Until about fifteen years ago, many small milk companies were found in most large cities. Higher requirements of the health departments, large investments in new equipment which rapidly becomes obsolete, and the necessity of utilizing as manufactured products surplus milk not sold in fluid form, have resulted in many of these small companies falling by the wayside. As a result, the number of small companies in most of the large cities is much less than it was five years ago, while the size of the more efficient distributing companies has increased.

The special compilation made by R. G. Dun & Co. of failures in the dairy industry during the last five years shows:

Manufacturers of Dairy Products
(Creameries)

Year	No.	Liabilities
1927	18	$306,700
1928	13	184,300
1929	13	180,000
1930	8	114,800
1931	19	891,329

Retailers and Wholesalers
(Milk and Dairy Products)

Year	No.	Liabilities
1927	66	$761,194
1928	88	1,002,647
1929	44	517,100
1930	53	615,900
1931	130	1,739,700

This situation is reflected in the insolvency record of the industry during the last five years. The total liabilities at no time have been high, indicating that the defaulting firms were small ones that had found it difficult to align their operations with changed conditions. In 1931, both the number of failures and the involved liabilities reached the highest level of the last five years, with the former showing a gain of 88 over the record of 1930, and the latter an increase of $1,900,329.

The various steps in the production of milk and dairy products are accomplished almost entirely by machinery. There scarcely is another industry in which the product passes through all the steps of manufacture without being touched by the human hand. For, machinery in the dairy industry starts right at the cow, the milking-machine being in almost general use with those farmers that have a herd of more than twelve cows. Without being touched by human hands, the milk is dumped from the 50-pound pails of the milking machine into the cream separator, if the milk is to be used for butter-making, or into a pasteurizer, if it is to be made ready for immediate consumption.

What a marvel of the modern machine age it is to take the milk from the cow by merely turning a switch, pour it into glass-lined tanks, transport it by motor truck to the creamery where it is dumped into enormous porcelain vats, and after pressing an electric button . . . presto! On the floor below emerges a print of butter, clean-cut in appearance, perfect in quality, correct in weight, wrapped in waxed paper and cartoned, all the processes of manufacture having been accomplished without the product being touched by the hand of man.

To maintain this various equipment, which includes conveyors, automatic filling and capping machines, heaters, culture cabinets, gauges, graphs, testers, scales, pasteurizers, coolers, evaporators, vacuum pans, deodorizers, bottle washers and equipment for weighing, filtering and storing, the dairy industry spends around $90,000,000 each year. More machinery is being used each year, and manufacturers report a slight increase in sales during the last four months, with prices about on a par with those prevailing in 1931.

INDUSTRY MECHANIZED IN ALL ITS BRANCHES

The principal demand for machinery has been created through replacements and the more exacting requirements of government inspection. Prices of raw materials entering the finished product have had a tendency to advance within the past few weeks, but manufacturers have made no revisions in their quotations as yet. There has been a slight increase in the output of electric churns and ice-cream freezers for domestic and light commercial use, due to seasonal business, but production schedules generally are considerably under what they should be at this time of the year.

Improvements in the technical methods of the mechanization of the industry are likely to continue. Indicative of possible future development is a system of certified milk production by one of the large dairy companies of the East, which marks the great-

est achievement, to date, in the mechanization of milk production. Instead of the small herd which is found on most dairy farms, this company maintains 2,000 cows under ideal conditions, with elaborate veterinary and laboratory control. In place of the usual method of sun-curing hay, the green alfalfa is dehydrated so that the full protein and vitamin content of the food will be retained to improve the nutritional value of the milk.

Three times daily, the cows walk through covered passageways to the so-called "Lactorium," and step onto a huge rotating platform holding fifty cows. In the twelve and one-half minutes required for one rotation, each of the fifty cows takes a shower bath, is dried by warm blasts of air, and is machine milked. The operation is continuous, the cows entering and leaving the "rotolactor" at the rate of four a minute, and each milking machine is cleaned automatically and sterilized after milking one cow.

Partly because of the entrance into the dairy industry of large financial groups and partly as a consequence of the application of science to dairying, considerable attention is at present being paid to the possibilities for developing the commercial uses of by-products. Important among these is casein, a normal protein constituent of all milk. This substance, which is used chiefly for the coating of paper to obtain a better printing surface, was produced in average amount of 20,867,000 pounds, in the United States, during the five-year period 1925-1929. The average imports during the same time amounted to about 25,100,000 pounds.

Federal authorities are encouraging American dairymen to increase the quantity and quality of their casein, with a view to securing the domestic market and providing an additional source of profitable income.

BY-PRODUCTS SOURCE OF GROWING REVENUE

It is notable that the domestic production of casein increased from 7,000,000 pounds in 1922 to more than 30,000,000 pounds in 1929.

Other by-products of importance to the dairy industry are skimmed milk, buttermilk and whey. It is estimated that a year's supply of these by-products contains nearly a billion pounds of high-grade food protein and nearly a billion and a half pounds of high-grade food sugars. The industry and scientific organizations which serve it are giving intensive attention to the question of the better economic utilization of these by-products, in order to give additional diversity, stability, and prosperity to the industry.

Much progress has been made in utilizing by-products. In 1918, for instance, the production of skimmed milk, which is used principally in baking and confectionery, was 54,000,000 pounds; it now is more than 150,000,000 pounds a year. Similarly, the production of condensed buttermilk, used mainly in feeding livestock, has increased since 1918 from 12,000,000 pounds a year to about 102,000,000 pounds. The production of skimmed-milk powder, used in baking and for calf-feeding, has increased around 500 per cent in ten years. Some authorities predict that development of commercial utilization of dairy by-products may, in the near future, provide markets of at least equal importance to those for the main products of the industry.

American dairy farms now are producing practically all the dairy products consumed in this country. The main exceptions are certain foreign cheeses which are imported because, thus far, the American industry has been unable to compete successfully in making the same type of product. On the whole, however, the imports are of comparatively little importance and are more than balanced by the exports of condensed and evaporated milk.

FUTURE VIEWED WITH GROWING CONFIDENCE

Despite the reverses that dairy farmers in some districts have had during the last two years, they are going ahead with the construction and remodeling of barns and milk-houses, confident of better days ahead for the dairy business. At the same time, they are making determined effort to improve the quality of their product and the quantity of the production.

All branches of the industry evidently are beginning to accept the current situation as a normal one and are adjusting their expenditures to their income. This will, of course, have the result of balancing budgets and reducing indebtedness. Cheerfulness is becoming more widespread, and while there has been no marked improvement during the last four months, the trade generally is holding its own. With any marked increase in the volume of distribution, better prices should prevail.

NOTICE

Dun's Review each week carries a current, detailed survey of an important industry. A total of twenty different lines are reported in this way, each being covered at least twice in the course of the year.

The next review of the Dairy Industry will be published in the October 1st issue of *Dun's Review.*

Next week—May 21—the subject of the special survey will be Furniture.

These industries will be surveyed in this sequence:

Rubber Goods	Hardware
Paper Boxes	Paint and Wallpaper
Clothing	Dry Goods
Agricultural Implements	Paper
Jewelry	Automobiles
Electrical Supplies	Drugs
Iron and Steel	Plumbing
Groceries	Building
Radio	Furs

MORE INTEREST IN LEATHER

by FRANK O. PRATT

General hide and leather markets continue dull, but instances of activity are on the increase. More inquiries are being received for sole leather, and interest in patent is gaining. Movement of calfskins is larger, but prices continue low. New England shoe factories are working on larger schedules.

There is still a lull in trading in both the hide and leather markets. The leather display in New York brought out nothing particularly new. Buying there was strictly of a sampling nature. Shoe men did not discuss values, but price pressure exists from shoe retailers up, and buyers generally continue to take their cue from the extreme "lows" of raw stock.

Some Boston reports noted a slight improvement in sole leather, but it may be some time before anything approaching activity can be reported. Union trim backs are posted by tanners at 28c. to 30c., tannery run, and bends 30c. to 32c.; but most reports list the inside figures as top for standard tannages. New York jobbers have continued to report slackness in finders' leather whether whole or cut stock. So styled table run bends are listed for actual sales anywhere from 28c. to 40c., as to tannage, weight and quality.

SOLE LEATHER BUYING GAINS

There are bends in top selection and desired substance that sell at 54c. or higher, but the amount of such sold is small. Offal has remained quiet to slow, and prices have been easing. Bellies in Boston generally are not quoted over 11c.; and from that point down to 9c., and even below. Single shoulders are not selling, to any extent, and as compared with the volume of a month or so ago are dull. Prices range to 18c., although in some quarters 1c. to 2c. more are being obtained.

Upper leathers display the same general dullness. In patent, Cuban interest is said to be pronounced. Some reports were that the sales to these quarters developed, but most advices stated that nothing beyond the negotiating stage had been reached. The inquiry was said to be for around 600 dozens on a cash basis and for leather to fit a price of 12½c. Prices for kid average lower than during the active period of early July into the forepart of March. Prices in New York on stock, for other than women's cheap footwear, are listed 25c. to 35c. and even claimed to 40c., but sales are mostly at the low end of the range. In the East, sales average 17c. and down for quality comparing with lining stock, but used for outside work. In side upper, white kips have sold steadily with some producers, and it is believed the call for these will continue on into next month. Price pressure continues on calf and sheep leathers and job and distressed lots of these are obtained at cost or under production cost values.

Government reports have confirmed the larger shoe production previously estimated in other sources during March, official figures being 30,499,933 pairs. Since April 1, however, general reports from most market centers have noted more or less slackening of factory operations. Although one of the large tanning shoe manufacturers experienced a sharp falling off recently, more activity has again developed with this producer. In New England, the plants are far from being normally active; but, in many quarters, it is expected that this month will show a pick-up over the reported slackness of April. Prices are affected by talk among retailers that the trend is as much as 50c. per pair less, but some feel that the quality coincides with the lower price and there are indications in the leather and raw stock markets that values have gone as low as will be witnessed. Business in men's shoes remains more unsatisfactory than trade in women's lines.

The domestic packer hide market, current salting, firmed ¼c. to ½c., while previous to April 1 kill ruled steady. The premiums secured for later take-off were partly because of improved quality, but due chiefly to a broader and well-sustained demand. Sales last week ran to around 75,000 hides and business of the past several weeks has reduced holdings.

LARGER DEMAND FOR CALFSKINS

Packers have marketed well and booked out their Winter hides and chiefly carry forward middle April. They show a tendency to test the market out for a possible further decline. Frigorifico steers are running into the Winter season. Europe was the chief supporter of that market.

Larger movements occurred in calfskins, but prices were very low. A Western packer removed 95,000-odd from the market which was generally regarded as a booking. Buyers' views are as low as 4½c. for under 9½-pound weights and 5½c. to 6c. for 9 to 15 pounds, with reports of the latter having been sold on a range of 6c. to 7c. as to points.

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Please mention DUN'S REVIEW when writing to these concerns.

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